

FREE HOMEOWNER GUIDE

Hire the Right Contractor

A Homeowner's Guide to Scope, Bids, Contracts, and Red Flags

Bids don't match? Now you can see why.

- ✓ What to do before you call anyone
- ✓ How to vet license, insurance, and references
- ✓ How to compare bids apples-to-apples
- ✓ Contract and payment must-haves
- ✓ Red flags, scams, and what to do if things go wrong
- ✓ One-page checklist + verified Utah & national resources

Welcome

Hiring a contractor is a big money decision most homeowners make only a few times. The bids don't look alike, the prices are far apart, and everyone sounds confident.

This guide walks you through the whole thing in order:

1. Before you call anyone
2. Finding contractors
3. Vetting: license, insurance, references, reviews
4. Getting and comparing bids
5. Signed a bid or said "yes"? What that means
6. Contract must-haves
7. Payment do's and don'ts
8. During the job
9. Red flags and scams
10. When things go wrong
11. Your one-page checklist
12. Resources (Utah and national)

Utah rules and agencies come first, since [SmartBidCheck](#) was built by a Utah remodeler. Every section also works for homeowners in other states. Where the law differs by state, the guide says so and points you to where you can look it up.

A quick note: This guide is general information, not legal advice. Laws change, and every project is different. For a specific dispute or contract question, talk to a licensed attorney in your state.

1. Before You Call Anyone

The most useful hour you'll spend on your project happens before any contractor shows up. If you know what you want, every bid you get will be easier to compare.

Write down your scope

Scope is the list of what you want done. It doesn't need to be fancy. A page of bullet points is plenty. For each room or area, write:

- **What's coming out.** For example: tub, tile surround, vanity, flooring.
- **What's going in.** For example: walk-in shower, new vanity, LVP floor, exhaust fan.
- **What stays.** For example: the window and the toilet.
- **Who picks the finishes.** Will you choose tile, fixtures, and paint, or do you want the contractor to?
- **Must-haves vs. nice-to-haves.** This helps when the bids come in higher than you hoped.

Give the same scope to every contractor. That one step does more than anything else to get you bids you can actually compare.

Set a realistic budget range

Decide on three numbers before you talk to anyone:

- **Comfortable:** what you'd like to spend.
- **Ceiling:** the most you'll spend.
- **Cushion:** money set aside for surprises. Older homes especially can hide problems behind walls and under floors.

You don't have to tell contractors your ceiling. Knowing it yourself keeps you from getting upsold in the moment.

Take photos and measurements

Take wide shots of each room, close-ups of problem areas, and photos of the electrical panel, water heater, and any visible damage, plus rough room sizes. They help contractors give better first answers, and they become your "before" record.

Know the age of your home

If your home was built **before 1978**, it may have lead-based paint. Under [EPA's Renovation, Repair and Painting \(RRP\) Rule](#), anyone paid to do work that disturbs painted surfaces in a pre-1978 home must be certified and trained in lead-safe work practices. See the EPA lookup in the Resources section.

Check HOA and permit basics

If you have an HOA, find out if it needs to approve the work. Then look at your city's building department website. If you live outside city limits, look at your county's. Remodels, basement finishes, and electrical, plumbing, gas, or HVAC changes usually need a permit. Knowing this up front helps you spot a bid that quietly leaves permits out.

2. Finding Contractors

Plan to get **at least three bids** for any sizable project. Utah's [Division of Professional Licensing \(DOPL\)](#) and the [Federal Trade Commission \(FTC\)](#) both recommend collecting several bids and checking references.

Good places to start:

- **People you trust.** Neighbors, friends, and coworkers who had similar work done recently. Ask if they'd hire that contractor again.
- **Local suppliers.** Tile shops, lumber yards, and plumbing supply counters see who pays their bills and who comes back for repeat jobs.
- **Online search and review sites.** These are helpful for building a list. Treat them as a starting point, not a final answer (more in [Section 3](#)).
- **Your local home builders association.** The FTC suggests checking with one for complaints about contractors you're considering.

Be careful with door-knockers who are "in the area" or have "leftover materials" (both common scam tactics, per the FTC), and anyone who only takes cash or wants a decision today.

Match the contractor to the job. A roofer, a kitchen remodeler, and a basement finisher have different strengths. Ask each one how many projects like yours they've done recently and whether they can show you photos.

3. Vetting: License, Insurance, References, Reviews

Verify the license yourself

Don't just take a license number from a business card. Look it up.

- **In Utah:** Use [DOPL's free Licensee Lookup & Verification System](#). Search by business name or license number. Check that the status is **Active**. Then look at the **classifications** to make sure the license covers the type of work you're hiring for.
- **In other states:** The [National Association of State Contractors Licensing Agencies \(NASCLA\)](#) keeps a directory of each state's contractor licensing agency. Some states license at the city or county level instead, so check locally too.

DOPL also has a [Disciplinary Actions and Citations](#) search where you can look up a contractor's name or license number.

- **What happens if... you hire an unlicensed contractor in Utah?**

You can lose important protections. Utah's [Certificate of Compliance](#) lien protection requires a written contract with a licensed (or license-exempt) contractor. DOPL also warns that unlicensed contractors can't get permits the way licensed ones can, and that you could be liable if one of their workers is injured. [Utah Code 58-55-604](#) generally bars a contractor from suing to collect pay for work that requires a license unless they prove they were licensed, but courts have recognized exceptions, so don't treat it as a free pass. Check the license before you sign.

Hiring a handyman

The \$7,000 rule: Utah doesn't issue a handyman license. A handyman works under an exemption from contractor licensing, and the exemption only covers jobs under \$7,000. Handymen in Utah can only take jobs **under \$7,000 total**, including labor, materials, and every change or addition. **At \$7,000 or more, the handyman exemption no longer applies, and Utah law requires a DOPL-licensed contractor.** This comes from [Utah Code 58-55-305](#). On jobs over \$3,000, the handyman must also have filed an insurance affirmation with [DOPL](#). The limit applies to handymen without a DOPL contractor license. A licensed contractor who calls themselves a handyman can take bigger jobs within their license, so check the [DOPL license lookup](#).

A handyman fits small, simple jobs like drywall patches, doors, trim, and minor repairs. For bigger or structural projects, hire a licensed contractor.

Even under \$7,000, the statute requires licensed or certified pros for electrical and plumbing systems (a licensed journeyman can handle a faucet, toilet, fixture, outlet, or switch), gas appliances, HVAC, fire sprinklers, alarms, and radon mitigation. The exemption covers licensing, not permits, so ask your building department whether the job needs one.

- **Good to know: the rules changed in 2024**

Before May 1, 2024, the limit for handyman work was \$3,000, so jobs of \$3,000 or more needed a licensed contractor. [HB 483 \(2024\)](#) raised it to \$7,000 (labor, materials, and all changes) and kept electrical, plumbing, HVAC, and gas work with licensed or certified pros ([Utah Code 58-55-305](#)). The insurance affirmation, now required over \$3,000 (it was over \$1,000), is a filing with [DOPL](#), not a license. Older advice may still mention a \$3,000 limit.

Splitting a job: The statute offers no way to split one project into smaller contracts to stay under the limit. If a handyman suggests separate invoices to stay under \$7,000, hire a licensed contractor instead.

Ask: for a certificate of liability insurance (and, over \$3,000, confirmation of the DOPL filing); for a written scope and price; who pulls any permit; and who, licensed, will do any electrical, plumbing, gas, or HVAC piece.

Red flags: A business name or ad using words like "contractor," "builder," "plumber," or "electrician" ([DOPL's handyman form](#) says exempt handymen can't use those terms). Offers to do wiring, gas, or HVAC work. A price that creeps toward \$7,000 with add-ons. Asking you to pull the permit. Cash only.

Ask for proof of insurance

Ask for a certificate of insurance showing:

- **General liability**, which covers damage to your home or injuries to others.
- **Workers' compensation**, if they have employees.

DOPL's [consumer guide](#) warns that an unlicensed contractor working on your property could make *you* liable if their workers or subcontractors are injured. Call the insurance agent listed on the certificate to confirm the policy is current.

Call references (actually call them)

Ask each contractor for recent references from jobs like yours. DOPL suggests checking at least three per contractor. Good questions to ask:

- Did the project finish on time and close to the original price?
- How were changes and surprises handled? Were they put in writing?
- Did the crew clean up and protect your home?
- Were permits pulled and inspections passed?
- Would you hire them again?

Read reviews with a critical eye

The FTC suggests searching the company's name along with words like "scam," "review," and "complaint." Watch for a burst of reviews posted over a short period, and for reviewers who have only ever written one review. Both can be signs of fake reviews. Pay the most attention to how the contractor *responded* when something went wrong.

You can also look up the business with the Better Business Bureau (BBB). In Utah, the [Division of Consumer Protection](#) takes consumer complaints about businesses.

4. Getting and Comparing Bids

This is where most homeowners get stuck. Three bids come back. One is two pages of detail, one is a single line that says "Bathroom remodel – \$X," and the prices are thousands of dollars apart. The lowest price isn't always the best deal. Sometimes it's just the bid that left the most out.

Make it apples-to-apples

For each bid, go line by line and ask: **Is this item included, excluded, or not mentioned?** Common places where bids differ:

- **Demolition and haul-away.** Is dumpster or disposal included?
- **Permits and inspections.** Who pulls them, and is the fee in the price?
- **Prep and repairs.** Subfloor, drywall patching, rot repair, or "as needed" items.
- **Electrical, plumbing, and HVAC.** Is a licensed sub included, or "by others"?
- **Materials.** Brand, model, grade, and quantity, or just "tile" and "fixtures"?
- **Finish work.** Trim, paint, caulk, hardware, and final cleaning.
- **Schedule.** Start date, estimated duration, and crew size.
- **Warranty.** How long it lasts, what it covers, and that it's in writing.

Understand allowances

An **allowance** is a placeholder budget for something you haven't picked yet, like "\$1,500 tile allowance." Allowances are normal, but they can make a bid look cheaper than it really is. If one bid allows \$800 for a vanity and another allows \$2,000, they aren't the same price. Ask:

- What does the allowance cover? Material only, or material plus installation?
- What happens if the actual cost comes in over, or under?
- Is the allowance realistic for the quality you discussed?

- **Good to know: allowances that run over**

If your picks cost more than the allowance, you usually pay the difference. Some contracts also add markup or extra labor on top. Ask how overages and credits are calculated, get the answer in writing, and keep a running tally as you choose finishes.

Read the exclusions

Exclusions are what the contractor is **not** doing. Read them carefully, because an exclusion can turn into a change order later. Phrases to ask about:

- "By owner" or "by others"
- "Unforeseen conditions not included"
- "Permits not included"
- "Patch and paint by others"

- **What happens if... the crew finds rot, old wiring, or other surprises?**

Hidden problems behind walls and under floors are usually handled as a change order. [DOPL's Residential Construction Agreement](#) template, for example, has the contractor tell you in writing about unexpected conditions and wait for your direction before doing the affected work. Ask each bidder how they price surprises (a set rate, or time and materials), and keep your budget cushion for them.

Ask about big price gaps

The [FTC's](#) advice is simple: don't automatically pick the lowest bidder, and ask for an explanation when bids are far apart. A good contractor can tell you exactly why their number is what it is.

SMARTBIDCHECK

Bids don't match? Now you can see why.

Comparing bids line by line takes time. [SmartBidCheck](#) does the lining-up for you. Upload 2–4 contractor bids (PDFs or clear phone photos) and get a side-by-side scope comparison.

- **Free basic report:** side-by-side comparison plus your top 3 red flags.
- **Full report, \$39 one-time:** the complete missing-items list, questions to ask each contractor, PDF export, and a share link.

Check your bids free at smartbidcheck.com

[SmartBidCheck](#) helps you compare and ask better questions. It doesn't replace your own judgment, a licensed inspector, or an attorney.

5. Signed the Bid? Said "Yes" on the Phone? What That Means

This happens all the time. A contractor sends a one-page bid that's mostly a price, with a line at the bottom that says "Accepted by" or "Approved." You sign it to get on the schedule. Or you just say "Sounds good, go ahead" on the phone. Here's what that can mean for you.

A signed bid can be your contract

Many bids are written as proposals with a signature line. When you sign one, you may be accepting the contractor's offer. That page, with whatever it says and whatever it leaves out, can become the binding agreement.

What isn't on the page may not count. Utah Courts training materials for [small claims judges](#) explain the "[parol evidence rule](#)": earlier discussions and negotiations generally can't be used to add to or change the terms of a written contract. The promises the estimator made while standing in your kitchen may not be part of the deal if they aren't on the paper you signed. The same materials note that typed or handwritten additions are given more weight than preprinted text. So if something matters, write it on the document.

A verbal agreement can count too, but it's hard to prove

According to those same materials, a contract "may be enforceable whether it is oral, or written." Utah's [statute of frauds](#) (Utah Code 25-5-4) lists the kinds of agreements that must be in writing. Examples include agreements that by their terms can't be performed within one year, promises to pay someone else's debt, and credit agreements. A typical home-improvement job isn't specifically named on that list, so a handshake deal may still be binding. Whether any particular agreement is enforceable depends on its facts, so ask an attorney if it matters.

The practical problem is proof. When memories differ about what was included, what it cost, or when it would be done, a verbal deal becomes your word against theirs.

Why "in writing" matters even more in Utah

- **Your lien protection depends on it.** For jobs over \$5,000, Utah's [Certificate of Compliance](#) protection requires a **written contract** with a licensed contractor (see [Section 7](#)). A verbal deal can leave you without that protection.
- **The license number belongs on the paperwork.** [Utah Code 58-55-304](#) says a contractor's license number must be part of all contracts, agreements, or bids when a license is required. The same requirement moves to [Utah Code 58-55-107](#) on January 1, 2027. A bid with no license number is worth asking about.
- **It's a common source of complaints.** [DOPL](#) says it and the [Division of Consumer Protection](#) "often receive complaints" about construction work, "then learn that no agreement exists or the agreement lacks the specificity to make clear what the expectations are."
- **The state recommends it.** The Division of Consumer Protection advises getting a written agreement with the price, a summary of the work and materials, the start date and estimated completion date, responsibility for cleanup, and any guarantees or warranty. If there's financing, get the financing and payment terms in writing too.

What a numbers-only bid usually leaves out

Missing item	Why it matters to you
Scope detail	"Remodel bathroom" doesn't say what's included.
Exclusions	Surprises turn into change orders.
Change-order process	There's no agreed way to price or approve changes.
Payment schedule	It opens the door to large upfront payments.
Timeline	You have no leverage when the job drags.
Warranty	There's nothing in writing if something fails.
Permits and lien waivers	It's unclear who pulls permits and who protects you from liens.

Missing item	Why it matters to you
Dispute terms	There's no agreed path if things go wrong.

The risks for you

- **The price is fixed, but the scope isn't.** Items you assumed were included come back as extras.
- **You may be committed.** Once you've signed, walking away to hire someone else can be harder, and could cost you.
- **Your leverage drops** once a deposit is paid and the terms are still vague.
- **Permit, lien, and warranty problems** land on you as the owner.

Practical steps before you sign (or right after you said yes)

1. **Ask: "Is this the contract, or will you send one?"** Ask for a written contract, or a signed addendum attached to the bid, that covers everything in the table above. DOPL's free [Residential Construction Agreement](#) is a useful checklist even if you don't use it as-is.
2. **If you sign a bid to hold your spot,** write next to your signature: *"Subject to a mutually signed written contract."* Ask the contractor to initial it. This shows you didn't intend to be bound yet. Whether it fully does that depends on the facts, so don't treat it as a guarantee.
3. **Put clarifications in writing.** Send a short email: *"To confirm today's conversation: the price includes ___, excludes ___, starts ___, and finishes about ___."* Ask the contractor to reply and confirm. For changes to the bid itself, write them on the document and have both of you initial them.
4. **Don't pay a deposit until the terms are agreed in writing.**
5. **Keep copies** of everything you sign, plus the emails and texts that go with it.
6. **Signed at your home? You may have three days to cancel.**
 - **FTC Cooling-Off Rule:** For many sales made at your home, you have until midnight of the third business day to cancel, and the seller must tell you about that right.
 - **Utah home solicitation law (Utah Code 70C-5):** For consumer credit (financed) sales solicited face to face at your home or workplace, you can cancel until midnight of the third business day after you sign. The agreement must include a "BUYER'S RIGHT TO CANCEL" statement. Until the seller provides it, you can cancel by any means. The seller must return your payments within 10 days of cancellation.
 - **Exceptions apply to both,** including certain emergency situations. Put any cancellation in writing and keep proof of when you sent it.
7. **Already agreed?** It's not too late. Send the recap email now and ask for a written contract or addendum before work starts or any money changes hands. A contractor who won't put the terms in writing is giving you useful information.

Not legal advice: Whether a bid or verbal agreement is binding depends on the facts and the wording. If real money is at stake, talk to a licensed attorney before you sign or cancel.

6. Contract Must-Haves

Get it in writing, no matter how small the job. [DOPL's consumer guide](#) says to put every project in a written contract, and the FTC recommends one even where your state doesn't require it. Utah DOPL also offers a free, optional [Residential Construction Agreement](#) template you can use or compare against. It includes exhibits for project plans, change orders, and proof of license and insurance.

Your contract should include:

- ☐ Contractor's legal business name, address, phone, and **license number**
- ☐ Your name and the property address
- ☐ A **detailed scope of work**: what's included and what's excluded
- ☐ Materials by brand, model, or grade, and all **allowance** amounts
- ☐ The **total price** and a **payment schedule** tied to completed work
- ☐ **Start date and estimated completion date**
- ☐ **Who obtains permits** and schedules inspections
- ☐ **Proof of liability insurance** (and workers' comp, if they have employees)
- ☐ How **change orders** are handled: in writing, with price and schedule impact, signed before work starts
- ☐ **Lien releases** from subcontractors and suppliers before final payment
- ☐ **Warranty** terms in writing, plus any manufacturer warranties passed on to you
- ☐ Cleanup, debris removal, and protection of your home
- ☐ How disputes will be handled
- ☐ Every promise made in conversation, written in
- ☐ **No blank spaces**. Cross out or fill in anything left empty.

Signing at home? Under the FTC's [Cooling-Off Rule](#), many sales made at your home generally give you until midnight of the third business day to cancel. The seller must tell you about this right. Utah has its own 3-day rule for financed home solicitation sales. See [Section 5](#).

7. Payment Do's and Don'ts

Money is where most contractor problems start. A smart payment schedule protects you and still treats a good contractor fairly.

Deposits

A deposit is normal. It often helps a contractor schedule your job and order materials. The size should be reasonable and spelled out in the contract.

- **Utah:** [DOPL's consumer guide](#) warns homeowners to "be cautious of requests for large down payments" and says payments should be made as work is completed.
- **Other states:** Some states cap deposits by law. [California](#), for example, limits the down payment on most home improvement contracts to \$1,000 or 10% of the contract price, whichever is less. The [FTC](#) notes that some states limit down payments and suggests checking with your state or local consumer agency.

Do

- **Pay on progress.** Tie each payment to a milestone you can see, like "rough plumbing inspected" or "tile installed."
- **Pay by check or credit card** so you have a record. The FTC suggests paying by credit card after the work is done when you can.
- **Get a receipt** for every payment.
- **Keep the final payment** until the work, including the punch list, is done and you're satisfied.

- **What happens if... you make the final payment before the punch list is done?**

You lose most of your leverage to get the last items finished. The FTC advises never making the final payment until the work is done and you're satisfied. DOPL's agreement template ties final payment to completing the punch list and providing a lien release. Walk the job together, write the list, and pay when it's complete. - **Get lien waivers.** Before each payment, and especially the final one, ask for signed lien waivers from the contractor and any subcontractors or suppliers. [Utah Code 38-1a-802](#) provides standard forms: a *Conditional Waiver and Release Upon Progress Payment* and a *Waiver and Release Upon Final Payment*.

Don't

- **Never pay cash in full upfront.** Both DOPL and the FTC warn against it.
- **Don't pay by wire transfer, gift card, payment app, or cryptocurrency.** The FTC says anyone who insists on these is a scammer.
- **Don't pay ahead of the work.** Don't let payments get ahead of what's been completed.
- **Don't sign over an insurance check** to a contractor. The FTC specifically warns about this after storms.

- **What happens if... you're offered a "cash discount" to skip the paperwork?**

You give up your proof of payment. Utah's [Certificate of Compliance](#) requires evidence that you paid your contractor in full, and a cash deal with no invoice or receipt makes that hard to show. The [FTC](#) also warns against paying in cash. Pay by check or card, and get a receipt every time.

Utah lien protection: what to know

In Utah, a subcontractor or supplier who wasn't paid by your contractor may be able to file a lien on your home, even if you paid your contractor. Utah's [Residence Lien Restriction and Lien Recovery Fund Act](#) ([Utah Code Title 38, Chapter 11](#)) gives qualifying homeowners a defense. For contracts over \$5,000, you generally need to:

1. Have a **written contract** with a **licensed contractor** (or another qualifying party).
2. **Pay the contract price in full**, including any amendments.
3. **Live in the home** (primary or secondary residence) within 180 days after construction is completed.

If you qualify, you can apply to [DOPL](#) for a **Certificate of Compliance**. Once it's issued, the lienholder is required to release the lien within 15 days.

2026 update: DOPL announced in June 2026 that the Residence Lien Recovery Fund is depleted and can't pay new claims. That fund paid unpaid subcontractors. **Homeowner protection through the [Certificate of Compliance](#) is still available.** This is one more reason to hire licensed contractors, use written contracts, and keep proof of every payment.

Track your project: Utah's [State Construction Registry](#) lets homeowners search filings on their property and sign up for email alerts when contractors, subcontractors, or suppliers file a preliminary notice. It's a simple way to see who's working on your job and who might need a lien waiver.

- **What happens if... you pay your contractor, but they don't pay their subs or suppliers?**

In Utah, an unpaid subcontractor or supplier who filed a preliminary notice on your property may be able to file a lien on your home. A [Certificate of Compliance](#) can protect you if you qualify, but the state fund that used to pay those subs is now depleted. Watch the [State Construction Registry](#) for notices, and collect lien waivers before each payment.

8. During the Job

Put every change in writing

Changes happen. You pick a different tile, or the crew opens a wall and finds rot. Each change should have a **written change order** that lists:

- What's changing
- The added (or reduced) cost
- Any change to the schedule
- Signatures from both of you, **before** the work is done

A quick "sure, go ahead" in a text can turn into a surprise on the final invoice. If a change comes up on site, ask for the change order that day.

EXAMPLE SCENARIO

How one unpriced change can sink a whole job

A hypothetical example for illustration. It's not a real project or a prediction about yours.

Step	What happens	Where it could have been stopped
1	Mid-job, the homeowner asks the crew to move a doorway "while you're at it." They do it. No price is written down, and nobody signs anything.	A written, priced, signed change order before the work starts . If it can't be priced on the spot, write "not to start until priced and approved."
2	The extra labor and materials (say, a hypothetical \$3,000) get quietly paid out of money meant for later phases.	Each change order adds its cost to the contract total and the payment schedule, so the money for later phases stays intact.
3	Weeks later, the contractor runs short for tile, trim, and finish work, and asks to be paid early.	Payments tied to completed milestones , so you're never far ahead of the work. Keep a simple paid-vs.-completed tally.
4	The contractor says the doorway was extra. The homeowner says it was included. Neither can prove it, and subs start asking about payment.	Put disagreements in writing right away . Check the State Construction Registry , and collect lien waivers before each payment.
5	The contractor stops showing up, and the job sits unfinished.	Follow your contract's written notice-and-cure steps (DOPL's template uses written notice and 14 days to fix the problem). Document everything, don't pay ahead, then line up a new contractor. See Section 10 .

Why it matters: Without a signed change order, the contractor may still bill for the work, you may refuse to pay, and neither side can easily prove what was agreed. Unwritten changes can also muddy warranty coverage, whether the work matches the permitted plans and inspections, and the "paid in full, including amendments" proof that Utah's lien protection relies on. It cuts both ways: under DOPL's template, a contractor who isn't paid as agreed can suspend work after written notice and 14 days. Clear, signed change orders protect everyone.

Permits and inspections

- **Who pulls the permit?** A licensed contractor normally does. [DOPL's](#) guide notes that a licensed contractor can get permits that an unlicensed one cannot. The [FTC](#) lists "asking you to get the permits" as a common scam tactic.
- **Ask to see the permit.** DOPL says permits should be provided to you or displayed on the job site.
- **Inspections happen before things get covered up.** Inspectors need to see framing, wiring, plumbing, and similar work before drywall or tile goes over it. Ask your contractor which inspections apply and when.
- **Get the final sign-off.** Keep a copy of the final inspection approval with your home records.

Permit rules vary by city and county. Most Utah cities run their own building department. Properties in unincorporated areas are often served by the county or a service district. See the examples in the Resources section.

● **What happens if... work is done without a required permit?**

You may face penalties. Carbon County, for example, says starting work without a permit "will result in a penalty and fine." Inspectors need to see work before it's covered, so unpermitted work may have to be opened up for inspection. It can also cause trouble later with insurance claims or when you sell. Make sure the permit is in place before work starts.

Keep a simple project file

Keep one folder, paper or digital, with the contract, change orders, invoices and receipts, lien waivers, permits and inspection results, dated photos, and important texts and emails. If something is agreed by phone, send a short "just confirming" message afterward.

Check in regularly. Walk the job at set points, and raise concerns early, calmly, and in writing.

9. Red Flags and Scams

Most contractors are honest and hard-working. The few who aren't tend to use the same playbook. These warning signs come from Utah [DOPL](#) and [FTC](#) consumer guidance.

Door-to-door and storm chasers

After hail or windstorms, out-of-area crews often go door to door offering roof or siding repairs. Be wary if someone:

- Shows up uninvited because they're "in the neighborhood" or have "leftover materials"
- Offers to "work with your insurance" and asks you to sign over the check
- Says they don't need a license for the work
- Offers a discount only if you sign today

Take their card. Then verify the license, check reviews, and get other bids before you sign anything.

Pressure tactics

"This price is only good today." "The crew can start tomorrow if you sign now." Pushing you toward a lender they know. Getting irritated when you ask for references, proof of insurance, or time to think.

Paperwork and permit warning signs

- No written contract, a vague one-line estimate, or blank spaces they'll "fill in later"
- Asking *you* to pull the permit, or saying a permit "isn't needed" for work that clearly changes plumbing, electrical, structure, or layout
- A license number that doesn't show up in the state lookup, or a license that doesn't cover the type of work

Money warning signs

- Asking for large cash payments upfront, or cash only
- Asking for payment by wire, gift card, payment app, or crypto
- Asking for payment for work that hasn't been done yet
- Refusing to provide lien waivers

If something feels off, slow down. A good contractor will understand when you want a day to check references. A scammer will push you not to.

10. When Things Go Wrong: Escalation Steps

Problems often come from a miscommunication about scope, not dishonesty. Start low, move up only if needed, and keep everything in writing.

Step 1: Talk, then write it down

Raise the issue with the contractor in person or by phone, then send a short email or text summarizing what was agreed. Stay factual and calm.

Step 2: Send a written notice

If that doesn't fix it, send a dated letter or email that describes the problem (citing the contract section), includes photos, says what you're asking for (finish the work, fix the defect, or refund a specific amount), and gives a reasonable deadline. The [FTC](#) suggests certified mail, return receipt requested, so you can prove the contractor got it. Check your contract for a notice or cure period. [DOPL's Residential Construction Agreement](#) template, for example, uses written notice and a 14-day window to fix problems before termination.

● What happens if... your contractor disappears mid-job?

Hold further payments and start documenting: dated photos, the contract, payment records, and every message. Send a provable written notice with a deadline to return, and check your contract for a notice-and-cure period before you hire someone else to finish. Look up your property on the [State Construction Registry](#), file complaints with [DOPL](#) and the [Division of Consumer Protection](#), and talk to an attorney about your options.

Step 3: Try mediation

A neutral mediator can help both sides reach a deal for far less than a lawsuit costs. Check whether your contract requires mediation first.

Step 4: File complaints with the right agencies

- **Licensing problems** (unlicensed work, work outside a license's scope, unprofessional conduct): **Utah DOPL**, which investigates but doesn't recover money for you.
- **Business practices** (misrepresentation, failure to deliver, door-to-door sales issues): **Utah Division of Consumer Protection** (where the Utah [Attorney General's](#) office says business complaints go).
- **Suspected fraud or a crime**: The Utah Attorney General's [Criminal Investigations Division](#). For a crime in progress or a threat, call local police.
- **Scams and fraud, nationally**: Report to the **FTC**.
- **Reputation and resolution**: File a complaint with the [BBB](#), which forwards it to the business and asks for a response.
- **Outside Utah**: Your state's contractor licensing board (find it through [NASCLA](#)) and your state consumer protection office (find it through [USA.gov](#)).

Step 5: Small claims court

In Utah, [small claims court](#) handles money disputes up to **\$20,000** (including attorney fees, not court costs or interest) from January 1, 2025, through December 31, 2029, rising to \$25,000 on January 1, 2030. It can only award money, not order someone to finish the work. Filing fees depend on the amount claimed. The [Utah Courts Self-Help Center](#) offers free help by email, phone, and text for people without a lawyer. Its staff can't represent you or give legal advice. Other states' limits vary widely; check your state court's website.

Step 6: Talk to an attorney

For larger amounts, liens, injuries, or complex contract questions, consult a licensed attorney. DOPL and the Division of Consumer Protection can't give legal advice.

11. Your Hire-a-Contractor Checklist

BEFORE YOU CALL

- ☐ Write a one-page scope: out, in, stays, who picks finishes
- ☐ Set your comfortable, ceiling, and cushion budget numbers
- ☐ Take photos and rough measurements
- ☐ Check the home's age (pre-1978 means a lead-safe certified firm)
- ☐ Check HOA rules and local permit basics

FINDING AND VETTING

- ☐ Line up at least 3 contractors who do this type of work
- ☐ Verify each license yourself (Utah: [DOPL](#) lookup; elsewhere: state board)
- ☐ Confirm the license is active and covers this work
- ☐ Get certificates of insurance and call the insurers
- ☐ Call at least 3 recent references per finalist
- ☐ Read reviews critically and search "[company] + complaint"
- ☐ Handyman in Utah? Only for jobs under \$7,000 total (labor, materials, every change). At \$7,000 or more, hire a licensed contractor. Over \$3,000, insurance affirmation filed; licensed pros for electrical, plumbing, gas, and HVAC.

COMPARING BIDS

- ☐ Give every bidder the same scope
- ☐ Compare each bid line by line: included, excluded, or not mentioned
- ☐ Compare allowances side by side
- ☐ Ask about exclusions and "by others" items
- ☐ Ask each contractor to explain big price differences

CONTRACT

- ☐ Don't sign a numbers-only bid without a contract or addendum (or write "subject to a mutually signed written contract")
- ☐ Confirm verbal promises by email, or write them onto the bid with both initials
- ☐ Written contract with license number, scope, price, and dates
- ☐ Payment schedule tied to completed work
- ☐ Permits and inspections assigned to the contractor
- ☐ Change-order process in writing
- ☐ Lien waivers required before final payment
- ☐ Written warranty
- ☐ No blank spaces

PAYING AND DURING THE JOB

- ☐ Reasonable deposit. No cash, and nothing in full upfront.
- ☐ Pay by check or card, and keep the receipts
- ☐ A signed change order for every change, before work starts
- ☐ See the permit, and make sure inspections pass before walls are closed
- ☐ Sign up for [State Construction Registry](#) alerts (Utah)
- ☐ Collect lien waivers before progress and final payments
- ☐ Make the final payment only after the punch list is complete

Before you sign, run your bids through [SmartBidCheck](#). Free basic report at [smartbidcheck.com](#).

12. Resources

All links were checked on **October 19, 2026**. Agencies sometimes move pages. If a link breaks, search the agency's name.

Utah

What you need	Resource
Verify a contractor license	DOPL Licensee Lookup & Verification: secure.utah.gov/llv/search/index.html
Check discipline and citations	DOPL Disciplinary Actions and Citations: commerce.utah.gov/dopl/enforcement/disciplinary-actions-and-citations/
Handyman exemption rules	Utah Code 58-55-305: le.utah.gov/xcode/Title58/Chapter55/58-55-S305.html · DOPL handyman affirmation form: commerce.utah.gov/wp-content/uploads/2022/09/handyman-application.pdf
Unlicensed contractor suing for pay	Utah Code 58-55-604: le.utah.gov/xcode/Title58/Chapter55/58-55-S604.html
Free contract template	DOPL Residential Construction Agreement: commerce.utah.gov/dopl/contracting/construction-contract/
Written-agreement tips	Division of Consumer Protection, Home Improvement: commerce.utah.gov/dcp/education/home-improvement/
License number on bids and contracts	Utah Code 58-55-304: le.utah.gov/xcode/Title58/Chapter55/58-55-S304.html
Which agreements must be written	Utah statute of frauds , Utah Code 25-5-4: le.utah.gov/xcode/Title25/Chapter5/25-5-S4.html
Oral vs. written contracts, parol evidence	Utah Courts small claims judges training (2018): legacy.utcourts.gov/scjudges/training/2018-02/docs/final_contracts-contractors-small_claims_issues.pdf
3-day cancel, home solicitation (financed) sales	Utah Code 70C-5-102: le.utah.gov/xcode/Title70C/Chapter5/70C-5-S102.html
DOPL consumer guide	"Home Construction Projects: A Consumer's Guide": scams.utah.gov/wp-content/uploads/2023/04/Home-construction-projects.pdf
Lien protection for homeowners	DOPL Residence Lien Recovery Fund , general information: commerce.utah.gov/dopl/residence-lien-recovery-fund/lrf-general-information/
Homeowner lien FAQ	commerce.utah.gov/dopl/residence-lien-recovery-fund/faqs-for-homeowner/
2026 fund status	commerce.utah.gov/2026/06/11/utahs-residence-lien-recovery-fund-is-officially-depleted-what-now/
Utah lien law (homeowner protection)	Utah Code Title 38, Ch. 11: le.utah.gov/xcode/Title38/Chapter11/38-11.html
Lien waiver forms	Utah Code 38-1a-802: le.utah.gov/xcode/Title38/Chapter1a/38-1a-S802.html
Track liens and notices	State Construction Registry, homeowners: secure.utah.gov/scr/homeowners/
Licensing complaint	DOPL File a Complaint: commerce.utah.gov/dopl/file-a-complaint/
Consumer complaint	Division of Consumer Protection: services.commerce.utah.gov/dcp-complaint/ · (801) 530-6601
Attorney General guidance	Utah AG FAQ (where to file what): attorneygeneral.utah.gov/faq/
Small claims (\$20,000 limit)	Utah Courts, Small Claims: utcourts.gov/en/self-help/case-categories/consumer/small-claims.html
Small claims statute	Utah Code 78A-8-102: le.utah.gov/xcode/Title78A/Chapter8/78A-8-S102.html

What you need	Resource
Free court self-help	Utah Courts Self-Help Center: utcourts.gov/en/self-help/services/contact.html
Permits (examples)	Utah County (unincorporated areas): codev.utahcounty.gov/building · Greater Salt Lake MSD: msd.utah.gov/373/Do-I-Need-a-Building-Permit · Carbon County: carbon.utah.gov/service/building-permits/ · In a city? Use your city's building department.

National

What you need	Resource
Find any state's licensing agency	NASCLA State Licensing Information: nascla.org/state-licensing-information
Avoid home improvement scams	FTC: consumer.ftc.gov/articles/how-avoid-home-improvement-scam
After storms and disasters	FTC: consumer.ftc.gov/articles/how-avoid-scams-after-weather-emergencies-and-natural-disasters
3-day right to cancel	FTC Cooling-Off Rule : consumer.ftc.gov/articles/buyers-remorse-ftcs-cooling-rule-may-help
Report fraud	FTC: reportfraud.ftc.gov
Lead-safe certified firms (pre-1978 homes)	EPA locator: cdxocspapps.epa.gov/ocspp-oppt-lead/firm-location-search · EPA RRP for consumers: epa.gov/lead/renovation-repair-and-painting-rrp-program-consumers · RRP Rule overview: epa.gov/lead/lead-renovation-repair-and-painting-program
Business complaints and lookups	BBB: bbb.org/file-a-complaint · How BBB handles complaints: bbb.org/process-of-complaints-and-reviews/complaints
Your state's consumer protection office	USA.gov: usa.gov/state-consumer
Example of a state deposit cap (California)	CSLB: cslb.ca.gov/Consumers/Hire_A_Contractor/Home_Improvement_Contracts/What_Is_A_Contract.aspx

About SmartBidCheck

SmartBidCheck helps homeowners understand contractor bids before they sign. Upload 2–4 bids and see them side by side, with missing items, red flags, and questions to ask each contractor. The basic report is free. The full report is a \$39 one-time purchase.

Built by a Utah remodeler.

Bids don't match? Now you can see why. smartbidcheck.com

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