

Steve Marshall Alabama Attorney General



FOR IMMEDIATE RELEASE March 17, 2025

For **press** inquiries only, contact: Amanda Priest (334) 322-5694 William Califf (334) 604-3230 Page 1 of 2

Alabama Attorney General Marshall Warns: Storm Emergency Declarations Activate Price Gouging Protections

Says, 'We must remain vigilant against those who may try to exploit the goodwill of our community and scam those in distress'

(**Montgomery, Ala**) – Alabama Attorney General Steve Marshall issued a statement following the devastating and tragic storms that hit 52 of Alabama's 67 counties over the weekend.

Governor Kay Ivey declared a state of emergency effective 2:00 p.m. CDT March 14, 2025, throughout the state of Alabama.

"Our hearts go out to the families grieving their loved ones and to all those facing loss and hardship in the aftermath, as well as the first responders assisting those in need. As we come together to assess the damage and begin the long road to recovery, we must also remain vigilant against those who seek to exploit this crisis for personal gain. With the Governor's emergency declaration, Alabama's price gouging law is now in effect, ensuring that essential goods and services remain fairly priced during this state of emergency," Attorney General Steve Marshall said. "As residents begin cleanup and repairs, I urge everyone to be cautious. Never pay in full upfront for home repairs or debris removal, and always ask to see a contractor's state builder's license before hiring them. Together, we will rebuild, and we won't let bad actors take advantage of this community in its time of need."

The Home Builders Licensure Board and the Attorney General's Office offer steps consumers should take to protect themselves from fraud when hiring workers for storm damage repairs:

- Ask if they are licensed. Ask to see the card! The HBLB license is a credit card-sized license a sample is listed on HBLB's website. You may check on a builder's license status by calling 1-800-304-0853, or by visiting <u>www.hblb.alabama.gov</u>.
- Ask for and check references, especially if the builder makes unsolicited contact with you or is from out-of-town.
- Make sure quotes and contracts are in writing. Under state law, licensed homebuilders must use a written contract. Make sure it includes the contractor's full name, address, telephone number, a description of the work to be performed, starting and estimated completion dates, and the total cost of the job.
- NEVER make a full payment or substantial down payment up front. Do not make a final payment until you are satisfied, and all subcontractors have been paid. If they tell you that more money is needed in advance, be wary.
- Ask for proof of insurance, including workers compensation and general liability.



• Make sure you can contact them. Be certain to get an office number and a cell phone number, and a physical address. Businesses with established addresses may be safer.

"Do your homework," said J.R. "Chip" Carden of the Home Builders Licensure Board. "Call any references the builder gives you and check with the Board to confirm if a builder is licensed and in good standing. Don't be in a rush. A bad decision now can make a difficult situation even worse."

"Always get quotes and contracts in writing," Carden added. "You can also check on licensure status by calling 1-800-304-0853 or visiting hblb.alabama.gov."

Attorney General Marshall reminded consumers of potential price gouging in areas affected by the storm. Alabama's price gouging law is activated when a state of emergency is in effect. This law prohibits the "unconscionable pricing" of items for sale or rent. Although what constitutes an unconscionable price is not specifically set forth under state law, a price that is 25 percent or more above the average price charged in the same area within the last 30 days – and which was not due to legitimate increases in product supply costs – is a 'prima facie' case of unconscionable pricing.

"Residents in the affected counties may report concerns of alleged fraud or price gouging to my office for investigation," said Attorney General Marshall. "To fill out a complaint online, visit <u>www.alabamaag.gov</u> and look for the 'consumer complaint' link. Also available for consumers is the toll-free Consumer Interest Division at 1-800-392-5658."

For information about home repair licensing and potential fraud, contact the Home Builders Licensure Board, 445 Herron Street, Montgomery, Alabama 36104, (334) 242-2230 or 1-800-304-0853 or <u>www.hblb.alabama.gov</u>.

-30-