

NEWS RELEASE

FOR IMMEDIATE RELEASE
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CONSUMERS ADVISED TO CHECK LICENSE ON DAMAGE RESTORATION COMPANIES

Regulating body begins new enforcement effort of existing law

SACRAMENTO—If you're working with a damage restoration company, the chances are you've already been the victim of a catastrophe. But if a damage restoration company moves and stores your goods while restoration work is performed, they are obligated to follow the same laws and regulations that govern household moving companies, protecting you from predatory "bandit" companies that extort money from customers while holding goods hostage.

Damage restoration companies that move and store their clients' goods while a restoration project is underway are required to be licensed by the Department of Consumer Affairs' Bureau of Household Goods and Services (BHGS).

Existing state law provides for the regulation of any household mover or damage restoration company owning or operating motor vehicles in the transportation of property for hire upon the public highways. BHGS became the new licensing and regulatory home for household movers and damage restoration companies on July 1, 2018, when the Household Movers Act, passed by the Legislature and signed by Governor Jerry Brown, went into effect. The Act requires the use of resources to combat unlicensed activity in the moving and storage industry.

"BHGS warns consumers to hire only licensed household moving companies and damage restoration companies to avoid becoming victims of predatory companies," said

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Nicholas Oliver, chief of BHGS. “These unlicensed companies can extort money from customers, use bait-and-switch tactics, hold possessions hostage, steal some or all of the items or not insure damaged or destroyed items. We take a hard stance against this illegal activity, and we hope to send a message to bad operators that holding consumer goods hostage for more money will not be tolerated.”

As the new regulator for the industry, BHGS will aggressively seek enforcement actions against unlicensed companies. Investigators plan to use sting operations and work with local law enforcement to identify unlawfully operating businesses which can be cited and fined up to \$5,000 for each violation. BHGS will also refer violations of the Act to local district or city attorneys for possible prosecution.

Consumers moving within California can check a moving or damage restoration company's license and find important information on the BHGS website at <https://bhgs.dca.ca.gov/consumers/movers.shtml>.

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