



GEMA



FEMA

# News Release

October 6, 2009  
GA-1858-NR-028  
GEMA/FEMA News Desk:  
678-728-7531

## **DON'T LET THE STORMS HURT YOU TWICE: BE WARY OF FRAUDULANT CONTRACTORS AND SCAM ARTISTS**

**ATLANTA** – Georgians affected by September's severe storms and flooding are urged to be alert for and report potential fraud during recovery and rebuilding efforts.

Those who suspect anyone – a contractor, inspector, disaster survivor or someone posing as any of these – of committing fraudulent activities should call the FEMA Disaster Fraud Hotline toll-free at **866-720-5721**. Complaints may also be made to local law enforcement agencies and through the Governor's Office of Consumer Affairs at: **404-651-8600 or 800-869-1123 (toll-free in Georgia outside the Atlanta metro area)**.

To safeguard against disaster-related fraud, officials suggest the following precautions:

- **Ask for ID.** If someone represents him or herself as a federal employee, such as an inspector, but doesn't produce identification, resident should ask to see the identification.
- **A FEMA or U.S. Small Business Administration (SBA) shirt or jacket** is not absolute proof of someone's affiliation with the government.
- **Federal employees** carry official, laminated photo identification. Applicants may receive a visit from more than one inspector or verifier.
- **Safeguard personal information.** Do not give personal information such as Social Security and bank account numbers to individuals claiming to be affiliated with the federal government. FEMA inspectors never require this information.
  - A Social Security or bank account number is requested during the first phone call to the FEMA registration line. On any follow-up calls, a representative may ask for the last four digits of your Social Security number.
- **Beware of people going door-to-door.** People going door-to-door to damaged homes or phoning disaster survivors and claiming to be building contractors could be frauds. If visitors or callers solicit personal information such as Social Security or bank account numbers, they are not legitimate.
  - Note that FEMA Community Relations specialists may visit communities to distribute flyers that mention personal information such as Social Security and bank account numbers. They will not solicit this personal information from disaster survivors – they are providing guidance about what information survivors should have on hand to provide to FEMA when registering.

(MORE)

## BE WARY OF FRAUDULANT CONTRACTORS – Page 2

- **Federal workers do not solicit or accept money.** Remember, FEMA and SBA staff members never charge applicants for disaster assistance, inspections, or help in filling out applications. If in doubt, do not give out information, then report people claiming to be government workers to local police.
- **FEMA inspectors** only verify damage. FEMA inspectors do not hire or endorse specific contractors to repair damage.

## SUGGESTIONS FOR WORKING WITH CONTRACTORS

**Use reliable, licensed contractors--** Demand to see a license. For more information about a contractor or if you are unsure about the validity of a license, check with the Better Business Bureau and your local or state contractor licensing officials.

**Get a written estimate, and be sure to read the fine print--** Always get estimates from several reputable contractors before making a decision. Always hire a local contractor if at all possible.

**Get references and check them--** Call former customers who had similar work done to determine if they were happy with the work done.

**Proof of insurance--** Make sure your contractor carries general liability insurance, workers' compensation and is bonded. A homeowner could be liable for accidents on the property when working with an uninsured contractor.

**Ask for a written contract--**A complete contract should clearly state all the work to be performed, all associated costs, the payment schedule and obligate the contractor to pay for all materials ordered for the job.

**Permits--**Make sure the contract clearly states who will obtain the necessary permits. Have a lawyer review the contract if substantial costs are involved. Keep a copy of the signed contract.

**Written guarantees--**If the contractor provides any guarantees, they should be written into the contract clearly, stating what is guaranteed, who is responsible for the guarantee and how long the guarantee is valid.

**Pay by check –** Avoid paying in advance and making payments in cash if at all possible. A reasonable down payment is 30 percent of the total cost of the project. Remember there is a federal law which requires a three-day “cooling off” period for unsolicited door-to-door sales of more than \$25.

**Canceling a contract –** If you cancel a contract, it should be done within three business days of signing. Send notification of the cancelation by registered mail.

(MORE)

## **BE WARY OF FRAUDULANT CONTRACTORS – Page 3**

**Make final payments only when the work is completed** – Do not sign completion papers or make the final payment until the work is completed to your satisfaction. A reputable contractor will not threaten you or pressure you to sign if the job is not properly finished.

More information about making disaster-related repairs or rebuilding after a disaster is available online at. [www.fema.gov/rebuild](http://www.fema.gov/rebuild).

*FEMA's mission is to support our citizens and first responders to ensure that as a nation we work together to build, sustain, and improve our capability to prepare for, protect against, respond to, recover from, and mitigate all hazards.*

*Disaster recovery assistance is available without regard to race, color, religion, nationality, sex, age, disability, English proficiency or economic status. If you or someone you know has been discriminated against, call FEMA toll-free at 800-621-FEMA (3362). For TTY call 800-462-7585.*

*FEMA's temporary housing assistance and grants for public transportation expenses, medical and dental expenses, and funeral and burial expenses do not require individuals to apply for an SBA loan. However, applicants who receive SBA loan applications must submit them to SBA loan officers to be eligible for assistance that covers personal property, vehicle repair or replacement, and moving and storage expenses.*

###

For more information on Georgia's disaster recovery, visit [www.fema.gov](http://www.fema.gov) or [www.gema.ga.gov](http://www.gema.ga.gov) or [www.ready.ga.gov/](http://www.ready.ga.gov/) or <http://twitter.com/GeorgiaEMA> or [www.afcema.com](http://www.afcema.com).