

Scam Artists Prowling Iowa in Wake of Flooding

Adapted for Nebraska Businesses, taken from earlier article:

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DES MOINES, Iowa -- Even before the flood waters subside, one of the first things to float ashore are scam artists pretending to offer help, warns Iowa Homeland Security and Emergency Management Division (HSEMD) and the Federal Emergency Management Agency (FEMA).

"Be alert for door-to-door solicitors who hand out flyers and promise to speed up insurance or building permits," says FEMA Federal Coordinating Officer Bill Vogel. "Watch out for folks who come to you and ask for your FEMA registration number, your social security number, cash deposits or advance payments in full. You can also avoid charity scams by working only with groups you know."

Although most architects, engineers, electrical and general contractors are honest, disasters tend to attract scam artists. Some of these people claim to be FEMA-certified, when in fact, FEMA neither certifies nor endorses any contractor. FEMA workers and inspectors always wear their photo ID where it can be seen at all times and never handle money or charge fees. FEMA employees and damage inspectors will also be able to confirm your case number, given to you when you register for assistance; a scam artist will not know your case number.

"FEMA is here to help our residents get relief, but we are asking residents to be mindful of those who seek to deceive them," State Coordinating Officer Pat Hall said. "By following the tips we are providing, you can protect yourself against dishonest scam artists."

Tips for hiring contractors to repair storm damage or any work:

- **Be wary of contractors that come to you offering repair or clean-up services such as tree or debris removal. Legitimate contractors don't generally need to seek customers. Deal with a reputable local contractor. Be wary of itinerant contractors using names that sound like local businesses. Check for local contractors listed in your local telephone directory.**
- **Check references.** A reliable contractor is willing to provide names of previous customers. Call these customers to make sure they are satisfied with the work performed.
- **Get a written estimate.** Compare services and prices before making a final decision. Also, read the fine print. Some contractors charge a fee for a written estimate, which is often included in the cost of the repairs they make.
- **Ask for proof of insurance.** Make sure the contractor carries general liability insurance and workers' compensation. If the contractor is not insured, you may be liable for accidents that occur on your property.
- **Use reliable, licensed contractors.** Call the Nebraska Department of Labor, [Contractor Registration Database](#) at 402.471.2239 or check with the Cornhusker Better Business

Bureau at 402.391.7612 (Omaha), 402.436.2345 (Lincoln), 605.271.2066 (Sioux Falls) or nebraska.bbb.org to inquire about a business before signing a contract. At a minimum, be sure to ask about registration status, complaints history, and enforcement action, if applicable.

- **Insist on a written contract.** A complete contract should clearly state all tasks to be performed, all associated costs and the payment schedule. **Never sign a blank contract or one with blank spaces.** Make sure the contract clearly states who will apply for the necessary permits or licenses. Have a lawyer review the contract if substantial costs are involved, and keep a copy for your records.
- **Get guarantees in writing.** Any guarantees made by the contractor should be written into the contract. The guarantee should clearly state what is guaranteed, who is responsible to fulfill the guarantee and how long the guarantee is valid.
- **Obtain a local building permit,** if required. Permits may be required for site work and for reconstruction. Contact your local government for permit information.
- **Make final payments only when the work is completed.** Do not sign completion papers or make the final payment until the work is done to your satisfaction. A reputable contractor will not threaten you or pressure you to sign if the job is not finished properly.
- **Pay by credit card or check.** Whenever possible, try to pay with a credit card because you may be able to charge back a disputed amount in the event you have difficulties at a later time. Otherwise, pay by check. Never pay in cash, and do not pay for the whole transaction in one lump sum. Avoid making large down-payments, because this could potentially leave you with no leverage with a problem contractor.
- **The safest route is to write a check to the contracting company.** Federal law gives consumers a three-day reconsideration period to cancel unsolicited door-to-door sales of more than \$25. If you need to, file a complaint by calling the Federal Trade Commission's Consumer Response Center toll-free at **1-877-FTC-HELP** (382-4357).
- **State law requires a 3-day cancellation clause on home improvement contracts.** If necessary, cancel a contract within that time frame by following any specific procedures for cancellation as set forth in the contract. Send the notification by certified mail with a return receipt to be signed by the contractor.
- **Report contractor fraud** to your local police department, the Nebraska State Patrol HELP line at **800-525-5555** and the Iowa Attorney General's Consumer Protection Division (CDP) at **800.727.6432**, or 888.850.7555 (En Espanol)

FEMA coordinates the federal government's role in preparing for, preventing, mitigating the effects of, responding to, and recovering from all domestic disasters, whether natural or man-made, including acts of terror.

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