

# CONSUMER ADVISORY

June 2008 -- Flood Special

By Attorney General Tom Miller

## Warning! Consumer Scams in the Wake of Floods and Storms

**Protect yourself from a second disaster – loss of your recovery funds!**

**Beware of flood-recovery and home-repair contractors who may target Iowans trying to recover from floods and storms.** “Con-artists” would like nothing better than to get their hands on your home repair money, and then leave town or simply stop working after doing little or no work. Other “scammers” may pose as government inspectors, insurance adjusters, or utility workers. Others may send e-mail messages or call you with schemes to take your money or financial information.

**If you suspect a scam, call the police or sheriff, or call the Attorney General’s Consumer Protection Division:** 888-777-4590 or 515-281-5926. Write to Hoover Bldg., 1305 E. Walnut St., DM, IA 50319. E-mail: [consumer@ag.state.ia.us](mailto:consumer@ag.state.ia.us). You can find much more information at [www.iowaAttorneyGeneral.org](http://www.iowaAttorneyGeneral.org) and at [www.flood2008.iowa.gov](http://www.flood2008.iowa.gov).

### Tips for Protecting Your Flood-Recovery Funds:

- Check first with local officials to see if no-cost or low-cost home inspections are available to help you decide what repairs you really need.
- Whenever possible, work with a local contractor you trust. Check references. Check if a contractor is properly registered – go to [www.iowaworkforce.org/labor/contractor.htm](http://www.iowaworkforce.org/labor/contractor.htm), or, call 800-562-4692 or 515-281-5387.
- Be cautious when someone appears at your door offering to do repairs. Remember, you have three business days to cancel door-to-door sale contracts over \$25 (although that may not help if a con-artist takes your money and disappears!)
- Get a contract in writing, in advance. Make sure all oral promises are written into your contract.
- Never pay any large sums in advance. If you have to make a partial advance payment for materials, make the check out to the material supplier, or to the supplier *and* the contractor.
- Tie payments to progress. Be suspicious if the contractor doesn’t make progress but asks for more money.
- Don’t make a final payment until the work is done to your satisfaction and you have obtained lien waivers from each supplier or subcontractor. (Lien waivers ensure that no one places a lien on your home if they weren’t paid by your contractor for labor or materials.)
- **Be careful! If a ‘con-artist’ takes your recovery money, it may be impossible to get your money back. If you suspect fraud, contact law enforcement authorities and the Attorney General’s Office immediately! (888-777-4590, or 515-281-5926.)**

[www.IowaAttorneyGeneral.org](http://www.IowaAttorneyGeneral.org)

Consumer Protection Division • Hoover Bldg. • Des Moines, IA 50319 • 515-281-5926 • 888-777-4590