TIPS FOR FLOOD VICTIMS

How to Avoid Disaster-Related Scams

Disasters often attract con artists and frauds.

Fly-by-night unregistered home improvement contractors may take your money and disappear, leaving unfinished work and unsafe homes. Fraudulent charities capitalize on compassion, and divert money from worthy causes.

Protect yourself with the following tips. Call the New Jersey Division of Consumer Affairs at 800-242-5846 to file a complaint or to ask questions about contractors, charities, or price gouging.

Price Gouging

N.J.'s Price Gouging Law:

- ✓ Establishes that during a State of Emergency (or 30 days after it is lifted) excessive price increases are illegal. Call the Division of Consumer Affairs if you suspect price gouging.
- ✓ Makes it clear that an "excessive" price increase is any increase in price that is 10 percent higher than the price charged before the State of Emergency.
- ✓ Establishes that prices *may* rise higher if they reflect additional costs to the seller, but that the higher price may *not* exceed 10 percent of the markup from cost compared with the price prior to the State of Emergency.

Home Repair Scams

Before Hiring a Contractor:

- ✓ Call the Division of Consumer Affairs to learn whether the contractor is registered, and whether the contractor has been the subject of any consumer complaints.
- ✓ Demand a copy of the contractor's liability insurance policy. Call the insurer to make sure the policy is still valid.
- ✓ Demand a written contract. Don't sign or pay for anything unless you understand and agree to all of the terms and conditions, including the fine print. Be sure to carefully review the list of materials that will be used.
- ✓ Never pay the full price up front.
- ✓ Demand ID from anyone who claims to be from a utility company and wishes to inspect your home.
- ✓ Never give your credit card number to strangers over the phone or Internet.

Charity Scams

Investigate Before You Donate.

- ✓ Call the Division of Consumer Affairs to find out whether the charity is registered to solicit in New Jersey, or is exempt.
- ✓ Learn exactly how the charity plans to use your money. Learn how much it has spent on actual programs, fundraising and management costs. Call the Division of Consumer Affairs to verify this information.

www.NJConsumerAffairs.gov

800-242-5846