



News Release

Attorney General Robert E. Cooper, Jr.

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STATE OFFICIALS URGE DISASTER-WEARY CONSUMERS NOT TO DROP GUARD AGAINST PROFITEERS

Tornadoes, high winds, hail and flooding have taken a toll across the state over the past several weeks, but state officials are urging Tennesseans not to drop their guard against disaster profiteers. The Tennessee Attorney General's Office is joining forces with the Department of Commerce and Insurance, Division of Consumer Affairs, Secretary of State's Office and AARP to warn consumers against those who wish to profit off someone else's misfortune.

"The immediate storm danger may have passed, but the need to stay vigilant against profiteers remains in effect," Attorney General Bob Cooper said. "Most Tennesseans have been generous to help one another in their time of need, but it is important to help provide storm victims with the best information and preventative measures they can get to avoid being victimized again."

Problems that sometimes arise after a natural disaster include price gouging (in which a business unreasonably raises rates on essential goods and services during a State of Emergency), home repair con artists or fraudulent charitable solicitors .

"Scammers and con artists see large-scale disasters as their golden opportunities," says Gary Cordell, director of Tennessee's Division of Consumer Affairs, part of the Department of Commerce and Insurance. "They want to profit from your bad situation, if a natural disaster has affected your home. Seniors are often the target of disaster-recovery home improvement scams. Don't let it happen to you."

Cordell urges homeowners to take the time to verify with the department's Board of Licensing Contractors before signing any contracts. Commerce and Insurance's license database, found at verify.tn.gov, provides free licensing information for dozens of professions – including home improvement contractors. Cordell says homeowners should also seek contractors' references, ask for copies of general liability and workers' compensation insurance policies and get proposals and contracts in writing.

"Never give money upfront," cautioned Cordell. "Too many times, someone will come to your door, promise to repair your home and demand some money to purchase building materials. If you give them cash, you may never see them again. For starters, most

legitimate contractors are not going door-to-door to drum up business in neighborhoods hit by storms. They wait for you to contact them.”

High-pressure sales tactics, pressure to go with a contractor before it's too late are all red flags. Once you recognize a scam, resist the pitch. It's OK to say you want to sleep on a proposal before making a decision. Also, just because it's the lowest-cost estimate doesn't make it the best. And don't let someone try to put you in a panic so that you'll pay for more work than you really need. If you have a problem with a business, you can file a complaint at www.tn.gov/consumer or call toll-free 1-800-342-8385. Consumer Affairs has a price gouging online complaint form at <http://tn.gov/consumer/PriceGougeCmplnt.shtml>.

Charity fraud also can be a problem, Attorney General Cooper said. When someone purports to raise money to help with recovery, make sure they explain how the money will be used and avoid giving to anyone who uses high pressure tactics. You can find out if a charity is registered to solicit through the Tennessee Secretary of State's office. Information about how registered charities are spending the money they raise is also available on the Secretary's web site at: <http://www.state.tn.us/sos/charity>.

“It is wonderful that Tennesseans are so eager to help when their neighbors fall victim to natural disasters,” Secretary of State Tre Hargett said. “However, it is important for potential donors to remember to follow some common sense steps, like paying by check rather than cash or credit card and asking lots of questions about how charitable organizations will be spending donations they receive.”

“It's horrible to think that scammers are out there preying on people who have already been victimized by natural disasters or who want to help their neighbors. But it's true,” said AARP Tennessee State Director Rebecca Kelly. “That's why we teamed up with state officials to share this information with you. And you can stop scammers by sharing it with your neighbors and loved ones.”

You can download more information from the Attorney General's website at <http://www.tn.gov/attorneygeneral/cpro/disasterrecovery.htm>.

For more information about the recent spate of disasters that has struck our state, go to www.tnema.org. To learn more about what AARP is doing in Tennessee, go to www.aarp.org/tn or www.facebook.org/aarptennessee.