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Flood Victims Cautioned About Disaster-Related Scams

NEWARK — Residents impacted by flooding following the recent nor'easter should be alert to potential scams and price gouging, Attorney General Stuart Rabner and Acting Consumer Affairs Director Stephen B. Nolan announced.

"It's an unfortunate truth that con artists try to profit by preying on those who have suffered misfortune as a result of natural disasters," Attorney General Rabner said. "We want to alert consumers to beware of those who attempt to take advantage of homeowners who are trying to recover from the recent horrific flooding."

Acting Governor Richard Codey declared a state of emergency on April 16. New Jersey law prohibits excessive price increases during a declared state of emergency and 30 days thereafter. Generally, any increase over 10% in the price of a good or service relating to the emergency or to the health, safety or comfort of consumers or their property is considered excessive.

"We expect trades people and merchants to obey the law," Acting Director Nolan said. "We know that many businesses are doing their best to provide goods and services that flood victims need. However, the State will not tolerate any business that increases the prices normally charged in an attempt to make additional, and illegal, profits."

Consumers who have information about alleged price gouging can contact the Division at 800-242-5846 (toll-free within New Jersey) or by calling 973-504-6200. **The Somerset County Division of Consumer Affairs can be contacted at (908)-203-6080.**

Here are some important tips consumers should heed to avoid becoming the victims of disaster-related scams:

Home Repair

If your home has sustained flood damage, you may need to hire a Home Improvement Contractor. All Home Improvement Contractors are required to be registered with the Division. Consumers can check online to make sure a contractor is registered, at <http://www.njconsumeraffairs.com>, or call the Division's Consumer Service Center at 800-242-5846 or 973-504-6200 to find out if any specific contractor has been the subject of consumer complaints and/or legal action by the State.

Obtain multiple bids.

Be wary of contractors who come to you and claim that they are "working in the neighborhood" and can offer you a good deal.

A written contract is required for any project greater than \$500. Contracts must include project start and completion dates, the required notice of a consumer's right to cancel the contract, and the contractor's registration information, among other items.

Plumbing and electrical contractors are licensed by separate boards within the Division. Licensing information is available online at <http://www.njconsumeraffairs.com>. The State Board of Examiners of Master Plumbers can be contacted at 973-504-6420. The Board of Examiners of Electrical Contractors can be contacted at 973-504-6410.

Charities Solicitations

You may receive solicitations from charities seeking contributions to assist flood victims. Give to charities you know and trust – never give to a charity you know nothing about. Ask for literature and read it. Ask questions. Honest charities encourage you to do so.

Check whether the organization is registered with Consumer Affairs' Charities Registration Section or exempt from the registration requirements. You may confirm whether an organization is registered or exempt by calling the Section at 973-504-6215. You may also confirm registration on the Division's web site.

Find out how long the organization has been in operation and ask to see its financial reports. These reports are available by calling Consumer Affairs' Charities Registration Section. Don't be fooled by a convincing name. A dishonest charity will often have an impressive name or one that closely resembles the name of a respected, legitimate organization.

Don't succumb to pressure. Don't let yourself be pressured into giving, and don't feel you have to contribute on the spot.

Beware of unsolicited and phony e-mail notices that claim to be from a charity asking for your credit card information. This scam is called "phishing" and could be used by thieves to commit identity theft. If the charity is unfamiliar to you, check whether the group is registered with Consumer Affairs' Charities Registration Section. If the organization is registered or if you know the organization, call the group directly to find out if the e-mail notice is valid.

Never give your credit card number to strangers over the phone or Internet!

Auto Repair

If your motor vehicle has been damaged by the floods, check out auto repair shops by calling Consumer Affairs' Consumer Service Center and asking about any past actions and/or consumer complaints.

Check to see if the shop is accredited by the Motorist Assurance Program (MAP). MAP is an industry-sponsored organization that has established Uniform Inspection Guidelines for inspecting vehicles and recommending repairs.

Get a cost estimate in writing and be sure to remind the mechanic to get your authorization before making repairs not listed on the original repair order. Auto repair shops are required by law to do so.

If you believe the mechanic has recommended unnecessary work or you are dissatisfied with the estimate, get a second opinion.

If the work is guaranteed, get all the warranty information in writing on the repair order or bill.

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