

NATURAL DISASTER FRAUDS AND SCAMS

It is important to remember during times of natural disaster that along with the floods, fires, and mud slides comes the scam artists. There are individuals that will use these moments of chaos, confusion, desperation, and fear to take advantage of both those suffering and those that wish to help.

There are four common types of fraud and scams that appear during and after a natural disaster.

1. Price Gouging – Some business will raise their prices excessively on much needed goods and services. It is important to note that price gouging is illegal.
2. Door-to-Door Repair – These scams will appear after the immediate danger has passed. “Repair People”, “Salespeople”, and “Contractors” will go from house to house offering clean up and/or repair services. Often these individuals are not licensed, and will never perform the services paid for.
3. Charities – Many people will want to help by providing money to assist those in need. Unfortunately, there are those that will create false charities for the sole purpose of conning others out of their money. Those affected by the disaster will never see the money donated to these fraudulent organizations.
4. Identity Theft – During natural disasters, people are sometimes required to leave their homes and/or businesses in a moment’s notice, leaving behind important identifying documents. If found by others with ill-intentions, these documents may be used to commit identity theft.

There are a few things that may be done to help protect yourself and others against these types of fraud and scams:

- If you feel that you are being unfairly charged for goods or services, file a complaint with that area’s Attorney General’s office.
- Prior to hiring a repair/service person, contact your insurance provider and don’t be pushed into any agreement.
- If you wish to donate, go to a legitimate organization. The American Institute of Philanthropy is a charity watchdog who helps donors make an informed decision.
- Continuously monitor your accounts. If you suspects someone has stolen your identify, notify your bank, file a police report, and alert the credit bureaus.

These are just a few ideas. Many agencies such as the FBI, American Red Cross, FEMA, Better Business Bureau (BBB), and the American Association of Retired Persons (AARP) have published information to better protect yourself and those you love from these predators. Below are several links which contain useful information:

AARP: <https://www.aarp.org/money/scams-fraud/info-2019/disaster.html>

BBB: <https://www.wdsu.com/article/bbb-warns-beware-of-scams-during-and-after-a-disaster/32770844#>

FBI: <https://www.fbi.gov/contact-us/field-offices/sandiego/news/press-releases/fbi-warns-public-of-disaster-scams>

FEMA: <https://www.fema.gov/blog/2011-08-31/avoiding-loan-scams-after-natural-disaster>

IRS: <https://www.irs.gov/newsroom/irs-warns-of-scams-related-to-natural-disasters>

The American Institute of Philanthropy:

<https://nrd.gov/resource/detail/12383242/American+Institute+of+Philanthropy+-+Charity+Watch>

To report fraud, waste, or abuse involving disaster relief operations, contact the Disaster Fraud hotline at 866-720-5721, the Disaster Fraud fax at 225-334-4707, or the Disaster Fraud e-mail at disaster@leo.gov. You can also report criminal activity to the FBI at 1-800-CALL-FBI or electronically on their website.

If you wish to consult with a Legal Assistance attorney on this matter, visit our office in Building 358, Presidio of Monterey, Monterey, CA or call (831) 242-5083/5084 to schedule an appointment.