

# Flood Victims Should Beware of Scams

In the wake of natural disasters such as floods, there is often a rise in scams targeting those most affected. Scammers strike when vulnerability is high. If flooding has affected you or a loved one, learn how to identify and prevent four types of scams common to flood victims.

**Home improvement scams.** Home improvement scammers may knock on your door when they see a need or an opportunity. This is a “pay for something you never receive” scam. Scammers will take a deposit, but never return to do the work. Before hiring someone to make repairs to your home or property, ask questions. Ask to see customer referrals, proper identification, and a contractor’s license. Also be cautious of service providers who raise prices during a crisis. If you believe price gouging has occurred, contact the Kentucky Attorney General: <https://www.ag.ky.gov/pricegouging>.

**Charity scams.** After widespread devastation, many consumers want to help by donating. Knowing this, scammers prey on generosity and compassion. Before donating to an unknown charity, the Better Business Bureau (BBB) urges donors to visit <https://www.give.org>. This website will tell you if you can trust the charitable organization. Also, be careful of crowdfunding scams. These happen when a person asks for help online through a crowdfunding website like Kickstarter, Fundly, or GoFundMe. Some crowdfunding sites do little to verify that the money goes where the organizer says it will, so exercise caution before giving.

**Insurance scams.** Flood victims are likely to have filed an insurance claim for disaster-related damages. If you are contacted by phone, email, or in person about an insurance claim or policy, always check that the representative is who they say they are. Call your insurance company or policy provider directly. Use the number on your account statement to make the call. Do this before disclosing any personal information or making any payments. Similarly, be wary of contractors who offer to waive insurance deductibles or offer discounted rates.

**FEMA scams.** The Federal Emergency Management Agency (FEMA) provides help after disasters such as flooding. Scammers may pose as FEMA employees offering to help complete paperwork or conduct home inspections. Ask to see an ID badge. FEMA employees are required by law to present a laminated photo ID. They will never charge for disaster assistance, application support, or inspections. You also can contact FEMA directly at 800-621-3362 to verify a representative’s identity. If you have not applied for FEMA assistance, do not accept phone calls or visits from someone claiming to be a FEMA or other government representative.

To prevent flood-related SCAMS, follow these steps:

- Stop before giving out any personal or financial information.
- Check the validity of the company, representative, claim, or charity.
- Act cautiously before signing paperwork. Don’t sign if you don’t fully understand.
- Make informed decisions and seek trusted advice.
- Slow down. Never let someone pressure you to act quickly or out of fear.

## References

BBB. (Aug. 27, 2020). Charitable giving after a natural disaster or tragedy.

<https://www.bbb.org/givingaftertragedy>

FEMA. (June 18, 2020). Disaster Fraud. <https://www.fema.gov/about/offices/security/disaster-fraud>

Federal Communications Commission. (Sept. 18, 2020). After storms, watch out for scams.

<https://www.fcc.gov/consumers/guides/after-storms-watch-out-scams>

**Sources:** Nichole Huff, Extension Specialist for Family Finance and Resource Management, and Kelly May, Senior Extension Associate for Family Finance and Resource Management

Copyright © 2022 for materials developed by University of Kentucky Cooperative Extension. This publication may be reproduced in portions or its entirety for educational or nonprofit purposes only. Permitted users shall give credit to the author(s) and include this copyright notice.

Educational programs of Kentucky Cooperative Extension serve all people regardless of economic or social status and will not discriminate on the basis of race, color, ethnic origin, national origin, creed, religion, political belief, sex, sexual orientation, gender identity, gender expression, pregnancy, marital status, genetic information, age, veteran status, or physical or mental disability.