



August 21, 2009

*****CONSUMER ALERT*****CONSUMER ALERT*****

MADIGAN WARNS CONSUMERS TO BE ALERT FOR SCAMS AFTER SEVERE STORMS HIT CENTRAL ILLINOIS

Chicago - Attorney General Lisa Madigan today urged residents affected by the severe storms that moved through Sangamon and other central Illinois counties Wednesday afternoon to protect themselves from home repair con artists who exploit natural disasters for personal profit.

"As they begin to repair and rebuild their homes and businesses, it is important that storm victims are alert to scam artists who follow storms and natural disasters in an attempt to defraud consumers," Madigan said.

Investigators from Attorney General Madigan's office are monitoring the situation in Williamsville, north of Springfield in Sangamon County, which was particularly hard hit by the storms. Loami, also in Sangamon County just south of Springfield, and areas in Morgan and Logan counties also sustained major storm damage. Madigan warned consumers and business owners to be careful before contracting to have damaged or destroyed property rebuilt and not to rush in to contractual agreements or make large down payments. The Attorney General urged consumers to alert both her office and local law enforcement if suspicious "storm chasers" begin soliciting in the area.

"A storm chaser knows that to persuade consumers to make snap decisions on repair work is the easiest way to take advantage of consumers during the emotional aftermath of a natural disaster," said Attorney General Madigan.

The Attorney General's Consumer Protection Division offered the following tips to help protect individuals and companies from being duped by dishonest contractors:

- Be wary of door-to-door solicitors because many home repair con artists are transients who move quickly into a troubled area. Ask for recommendations from people you know and trust. Whenever possible, use established local contractors.
- Call Attorney General Madigan's Consumer Fraud Hotline to check out a business and to find out how many consumer complaints, if any, have been filed against a particular business.
- Ask to see required state or local permits or licenses. Remember that insurance adjusters must be licensed by the Illinois Department of Financial and Professional Regulation, Division of Insurance, and roofers must be licensed by the Division of Professional Regulation.
- Shop around for the best deal. Get written estimates from several contractors and don't allow a salesperson to rush you into a deal.
- Get all terms of a contract in writing; obtain a copy of the signed contract and never make full payment until all work has been completed to your satisfaction.
- Be aware that you have the right to cancel within three business days if you sign a contract based on a salesman's visit to your home.
- Do not pay in cash.

Attorney General Madigan reminded consumers that the Illinois Home Repair and Remodeling Act requires contractors to furnish customers with written contracts for any repair or remodeling work costing more than \$1,000. A contract must be signed by both the customer and the contractor.

The law also requires contractors to carry at least minimum amounts of insurance for property damage, bodily injury and improper home repair. Contractors also must provide consumers with an informational pamphlet entitled "Home Repair: Know Your Consumer Rights."

For additional information on how to avoid consumer scams, visit www.IllinoisAttorneyGeneral.gov. If consumers suspect storm chasers are attempting to scam residents in their area, Attorney General Madigan urged them to call the Consumer Fraud Hotline: (800) 243-0618 (Springfield) or (800) 386-5438 (Chicago)

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