



January 1, 2011

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

MADIGAN WARNS MENARD COUNTY RESIDENTS TO REMAIN ALERT FOR "STORM CHASERS" AFTER NEW YEAR'S EVE TORNADO HITS AREA

Springfield — In response to a tornado that hit Menard County in the late afternoon on New Year's Eve, Attorney General Lisa Madigan is urging impacted residents to protect themselves from home repair con artists eager to exploit natural disasters for personal profit.

Madigan warned area residents with damaged property that home repair scam artists frequently swoop in after storms to take advantage of people scrambling to make repairs. Madigan noted that these "storm chasers" try to catch people when they are desperate and pressure them into making a quick, often expensive, decision.

"As families and business owners begin the daunting task of cleaning up and repairing their homes and businesses, it's critical to be on the lookout for con artists moving into the area to take advantage of people during this very difficult time," Attorney General Madigan said. "Investigators from my office are in the area, working with the Sheriff's office, and we are already hearing early reports that out-of-state scam artists are starting to contact people whose homes have been damaged."

The Attorney General's office and Menard County Sheriff Chuck Jones' office are working to establish a permit process that will discourage storm chasers by requiring out-of-town construction companies to obtain a permit from local authorities indicating that they are planning to solicit home repair work in the area. Attorney General Madigan advised consumers and business owners to make sure contractors have the required permit. Madigan also urged them to take extra caution before contracting to have damaged or destroyed property repaired or rebuilt and not to rush in to signing a contract or making a down payment.

"Far too often, man-made disasters follow natural disasters. Scam artists know how to take advantage of the aftermath of major storms and persuade people to make snap decisions for repairing their home or business," Attorney General Madigan said.

Attorney General Madigan offered the following tips to help protect families and businesses from being duped by dishonest contractors:

- Be wary of contractors who go door-to-door to offer repair services. Home repair con artists are often transients who move quickly into a troubled area. Ask for recommendations from people you know and trust and, whenever possible, use established local contractors.
- Call the Attorney General's Consumer Fraud Hotline to check out a contractor and to find out how many consumer complaints, if any, have been filed against a particular business.
- Even if there is a need to act quickly, shop around for the best deal. Get written estimates from multiple contractors and don't be rushed into a deal.
- Get all of the terms of a contract in writing and obtain a copy of the signed contract. Never make full payment until all the work has been completed to your satisfaction. Never pay in cash.
- Be aware that you have the right to cancel a contract within three business days if you are signing it based on the contractor's visit to your home.
- Ask to see required state or local permits or licenses. 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.

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."

Residents also should be aware that some scam artists even attempt to impersonate government agencies. In recent years, media reports in the wake of major storms and tornadoes have indicated that consumers were called by someone falsely claiming to be associated with the Federal Emergency Management Agency (FEMA) and requesting bank account information from the consumer that would assist with the repair of their storm-damaged home.

"Consumers should never give out personal or financial information over the telephone," Attorney General Madigan said. "Legitimate government agencies never call consumers asking for this information."

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 urges them to call the Consumer Fraud Hotline beginning Monday.

800-386-5438 (Chicago)

800-243-0618 (Springfield)

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