



TXGDEM



FEMA

September 23, 2008
FEMA-DR 1791-TX NR-031
News Desk: 512-465-3706
GDEM PIO: 512-424-2138
SBA PIO: 916-735-1500

News Release

Texans Should Beware of Fraud During Recovery Efforts

AUSTIN, Texas – Residents of Texas affected by Hurricane Ike are urged to be alert for and report potential fraud during recovery and rebuilding efforts.

Those who suspect anyone – a contractor, inspector, disaster victim or someone posing as any of these – of committing fraudulent activities should call the FEMA Disaster Fraud Hotline at **1-866-720-5721**. Complaints may also be made to local law-enforcement agencies and through the Texas Attorney General Consumer Protection Hotline, **1-800-621-0508**.

To safeguard against disaster-related fraud, officials recommend the following precautions:

- **Ask for ID.** If someone represents him or herself as a federal employee, such as an inspector, but does not produce identification, residents should ask to see it. A FEMA or U.S. Small Business Administration shirt or jacket is not absolute proof of someone's affiliation with the government. Federal employees carry official, laminated photo identification. Applicants may receive a visit from more than one inspector or verifier.
 - **NOTE THAT FEMA IS USING CONTRACT INSPECTORS IN AREAS AFFECTED BY HURRICANE IKE.** Employees of PaRR Inspections and PB Disaster Services are operating in Texas. They are legitimate and carry ID that shows they are under contract to FEMA.
- **Safeguard personal information.** Do not give personal information such as Social Security and bank account numbers to individuals claiming to be affiliated with the federal government. FEMA inspectors never require this information. A Social Security or bank account number is requested during the first phone call to the agency's registration line. On any follow-up calls a FEMA representative may ask for the last four digits of your social security number.
- **Beware of people going door-to-door** – People going door-to-door to damaged homes, or phoning victims and claiming to be building contractors, could be frauds. If visitors or callers solicit personal information such as Social Security or bank account numbers, they are not for real.
 - **Note that FEMA Community Relations (CR) staff may visit homes, shelters and hotels to distribute flyers that mention personal information such as Social Security and bank account numbers.** They will not solicit this personal information from disaster victims; they are providing guidance about what information victims should have on hand to provide to FEMA when registering.
 - **Also note that there is no charge to participate in the U.S. Army Corps of Engineers' Blue Roof program.** Corps employees who do assessments for the program will carry U.S. government ID cards. And contractors who install the Blue Roofs will have a copy of the

Right of Entry form the homeowner signed allowing access to the property. Residents should **not** pay contractors who claim to be part of the Blue Roof program.

- **Federal workers do not solicit or accept money.** Remember, FEMA and SBA staff never charge applicants for disaster assistance, inspections, or help in filling out applications. If in doubt, do not give out information, and report people claiming to be government workers to local police.
- **Remember, FEMA inspectors verify damage, but do not hire or endorse specific contractors to fix homes or recommend repairs.**

Use disaster funds for their intended purpose

- False disaster claims or theft of government property, prosecuted by the Justice Department, are felonies carrying maximum penalties of 10 years imprisonment or a \$250,000 fine – or both. FEMA’s Office of Inspector General routinely audits individuals, state and local governments and nonprofit organizations that receive FEMA disaster-recovery funds. The audits are independent assessments to determine whether recipients spent the funds according to federal regulations and FEMA guidelines. Usually audits question expenditures for ineligible items or instances of duplicate payments from insurance companies or other sources.

More information is available online at www.fema.gov or www.txdps.state.tx.us/dem.

###

FEMA coordinates the federal government’s role in preparing for, preventing, mitigating the effects of, responding to, and recovering from all domestic disasters, whether natural or man-made, including acts of terror.

SBA is the federal government’s primary source of money for the long-term rebuilding of disaster-damaged private property. SBA helps homeowners, renters, businesses of all sizes, and private non-profit organizations fund repairs or rebuilding efforts, and cover the cost of replacing lost or disaster-damaged personal property. These disaster loans cover uninsured and uncompensated losses and do not duplicate benefits of other agencies or organizations. For information about SBA programs, applicants may call 800-659-2955 (TTY 800-877-8339).