

Hurricane Scams and Price Gouging are Not Tolerated in Texas



The people of Texas have been affected significantly by Hurricanes Katrina and Rita. Through it all, our citizens have shown an

amazing strength of will and kindness of heart that make me proud to be a Texan. As we reached out with generosity to evacuees fleeing Katrina, and then as we began the difficult task of recovering and rebuilding our own lives after Rita, we have shown the nation our famous Texas spirit.

Unfortunately, a few con artist invariably look for ways to profit from the suffering of others. In the days before and after the hurricanes struck, my office received many complaints from consumers about false trade practices or price gouging on such items as car rentals, gasoline, plywood, motel rates and bottled water.

Teams from the Attorney General's Office promptly visited cities throughout the affected areas to investigate allegations of price gouging and to hand out information brochures regarding consumer rights and the filing of complaints. We reminded businesses that the Texas Deceptive

Trade Practices Act (DTPA) prohibits them from engaging in false advertising of rates, prices or services during a disaster or at any other time.

The DTPA also contains price-gouging provisions that were triggered when Governor Perry declared a state of emergency shortly after Katrina hit and a few days before Rita blew ashore. These provisions allow the Attorney General to pursue heightened enforcement penalties to protect consumers against those who charge exorbitant fees for fuel, food, lodging, medicines, repair work or other necessities during and after officially declared disasters.

After the emergency declarations, I promptly issued statewide warnings that my office would not hesitate to stop exorbitant price hikes that were out of step with generally prevailing market forces. Our investigators subsequently worked tirelessly to track down reports of price gouging.

I am pleased to say that most businesses, far from exploiting victims, made a huge effort to help them. Many hotels and motels reduced their rates or let people stay for free, allowed pets when normally they would not and were extremely helpful and mindful of the situation confronting their guests.

One of the greatest threats after

a storm passes is from hurricane relief scams. The catastrophic damage caused by Hurricane Katrina and Hurricane Rita inspired many Texans to give generously in an effort to help displaced victims. Unfortunately, in times like these, scam artists and thieves will try to take advantage of your kindness. Be very cautious in responding to solicitations for aid.

It is wise to give only to charities you are already familiar with and know are legitimate. Reputable organizations do not directly solicit donations from individual consumers by telephone, email or door-to-door visits. Do not use links that you find in unsolicited emails to access the websites of these organizations.

In addition, consumers facing cleanup and repair after a storm should be careful when selecting a building contractor. To avoid being ripped off, you should deal only with licensed, bonded contractors; be wary of "specials" and extra-cheap work; contact your insurance adjuster to get an estimate of any damage and cost of repair; never pay up-front for promised work; and get the terms of warranty work in writing.

Weathering terrible storms like these is a challenge, but together we can do it.

POINTS TO REMEMBER

Hurricane Scams and Price Gouging

It is Illegal to:

- Sell or lease fuel, food, medicine or another necessity at an exorbitant or excessive price; or
- Demand an exorbitant or excessive price in connection with the sale or lease of fuel, food, medicine or another necessity.

To file a complaint with the Attorney General:

(800) 252-8011
www.oag.state.tx.us

For information about a charity:

Council of Better Business Bureaus
Wise Giving Alliance
(703) 276-0100
www.give.org

DO NOT RESPOND to telephone or email solicitations from strangers

DO NOT USE links provided in unsolicited emails, even if they supposedly go to websites of well-known charities. These links often lead to copies of the real websites, created to siphon off your donation. Type in the URL yourself or use a link from a government website.

AVOID RIPOFFS

- Only deal with licensed, bonded contractors
- Be wary of "specials"
- Never pay up-front for work
- Get the terms of warranty work in writing



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Information on this and other topics is available on the Attorney General's website at www.oag.state.tx.us.