

# Consumer ALERT



ATTORNEY GENERAL OF TEXAS  
GREG ABBOTT

## “Government Grants” Scams Alive and Well

Recently my office has seen a continuation of scams disguised as small business grants offered by the federal government. Several Texans report being contacted by strangers who claim they can help secure government grants from \$5,000 to \$50,000. The scammer will then ask for a processing or “consulting” fee of several hundreds or even thousands of dollars up front. The grant applicant might even be told that the fee is refundable if they do not qualify, making the offer even more tempting. After the money is paid, however, the scammer disappears and the grant never materializes. *Don't be fooled.*

If you are interested in applying for legitimate government grants, deal directly with the agency or program offering the money. It is generally not necessary to pay someone to help you through the process and most agencies provide assistance at no charge in filling out forms and explaining what it takes to qualify.

Scams involving bogus government grants seem to focus on low income families or small minority-owned businesses. This makes the scheme even more sinister because their victims are people who can least afford to lose their money.

Remember, government agencies will not call you or show up unexpectedly at your doorstep to offer you grants. If someone contacts you saying you qualify for a government grant, provided you pay money up front, simply hang up. You should also report the matter to my office immediately at 1-800-252-8011.

And if strangers knock on your door promoting one of these programs and ask for money up front, you should close the door and might even consider calling your local police department if they are roaming your neighborhood looking for victims.

To find out more about legitimate government grants and what it takes to qualify for them, go online to [www.grants.gov](http://www.grants.gov) or call 1-800-518-4726.

Sincerely,

Greg Abbott, Attorney General of Texas

**WRITE TO: Greg Abbott, Office of the Attorney General, PO Box 12548,  
Austin, TX 78711-2548 • (800) 252-8011 • [www.oag.state.tx.us](http://www.oag.state.tx.us)**