



Consumer Alert

Disasters Trigger Charity and Home Repair Scams

Catastrophic disasters such as the floods that hit Colorado are big money makers for fraudulent charities and alleged home restoration businesses. Do not let these imposters profit off of your generosity or misfortune. When devastation hits, it is common for so-called “charities” to spring up on websites and to solicit over the phone. They are dishonest people trying to divert your charitable dollar into their personal accounts. Similarly, bogus home recovery contractors known as “storm chasers” call, or go door to door offering *too good to be true* discounts. Sites such as Craig’s List also attract perpetrators, and reports of contractor scams committed through these sites are escalating. Whether your interest is in contributing funds toward disaster relief, or finding a home restoration service, it is important to verify the charity or business before making a decision. The following are some helpful consumer tips:

- ▶ Verify the legitimacy of non-profit organizations that appeal for funds. Good websites for researching charities include the [BBB](#) and [Charity Navigator](#) . Note that charities or paid solicitors who intend on raising a minimum of \$25,000 annually must be registered with the Colorado Secretary of State’s Office before participating in any fundraising activities within the State. Check these charities out at [Secretary of State](#) or call 303-894-2200.
- ▶ Participate only in fundraising efforts undertaken by those you know and trust. (Click on the [Denver Post](#) for reputable organizations that have set up fund drives for the State’s most recent flood disaster). Also, stick to charities that have a long-standing track record for distributing aid quickly and efficiently.
- ▶ Never select any home repair/home-improvement contractor who solicits door to door. Contact your insurance company directly for a list of qualified contractors, and make certain these contractors are licensed to do business in your municipality.
- ▶ Always get three bids on home-recovery work, especially for work not covered under a homeowner insurance policy. Make certain that the contract has a specific starting and ending date, and read through it carefully before signing.

For tips from the BBB on selecting a home restoration business, click on Denver BBB, (above), and scroll down to *Restoration Contractors*. Good flood recovery tips can also be found on the Colorado State University Extension website [CSU Extension](#)

DA – 18th Consumer Protection Line: 720-874-8547