

Preventing the Second Storm

A natural disaster can strike your community any time. The last thing your residents need after a disaster is to become victims of fraud, perpetrated by someone looking for fast money and an even faster exit.

Consider these points before a second wave of financial disaster hits:

- Use social media and other available tools to warn residents of potential fraud. Hang fraud warning posters in your offices, convenience stores, grocery stores, home improvement stores, and other public places.
- Restrict access in the affected areas to emergency personnel, property owners, and insurance catastrophe teams while rescue/recovery mode is underway.
- Require permits for solicitors, building and general contractors, and towing companies.
- Don't issue solicitation or building permits to anyone from outside the county for a period of time after the disaster.
- Require solicitors and contractors to have a government-issued photo identification.
- Conduct warrant and sex offender registration checks on solicitors and building permit applicants.
- Require registration for every member of a contractor's crew.
- Require contractors to provide proof of general liability insurance, workers compensation insurance, construction bonds, and motor vehicle liability insurance for all vehicles that their employees operate.
- Require the issuance of a building permit for roof repairs.
- Set minimum standards for contractors before issuing a permit to a contractor. Require them to:
 - Have been in business for at least two years.
 - Have a local telephone number.
 - Have a verifiable local address.
- If your jurisdiction borders the Gulf of Mexico or in certain cities in Harris County that lie east of State Hwy 146, insurance companies may require that repairs be made in compliance with the Texas Windstorm Building Code to maintain wind and hail insurance coverage. Visit www.tdi.texas.gov/wind or call 1-800-248-6032 for more information.

For more information, call the Texas Department of Insurance Fraud Unit at 512-676-6285.

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