

# Beware of Post-Disaster Contractor Fraud

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As New Mexico residents begin to rebuild their lives after the recent severe storms, flooding and landslides, it is important to remain alert to people offering cleanup and repair services. Don't be tempted by offers that sound too good to be true – they probably are.

## How to Protect Yourself Against Fraud

FEMA does not license or certify contractors. However, FEMA recommends using a local contractor, someone who is known in the community. Out-of-town scam artists may be the first to arrive at your front door after a flood. You can protect yourself from fraud by following these simple steps:

- **Plan your project.** Take time to scope out your project; it may require a specially licensed contractor.
- **Get two or three written estimates.** This will allow you to compare bids. Be sure to review the contractor's estimate in total (cost of labor and materials, timetable of payments, timeline for completion, etc.). There is more to an estimate than simply the bottom-line cost.
- **Verify the contractor's license and insurance.** Only work with contractors who are licensed, registered and have insurance so any potential accidents on your property are covered.
- **Don't make a down payment or a final payment until the job is complete.** Beware of contractors who ask for large payments up front to purchase materials. Before making the final payment, make sure you are satisfied with the completed work. Remember, if you didn't request it, reject it.
- **Do your research to find out if a potential contractor is licensed to work in New Mexico.** The New Mexico Regulation and Licensing Department (NMRLD) certifies and regulates individuals and businesses across the state. Visit [Verify a License](#) on the NMRLD website where you can look up a person or business.
- **Learn what kind of work may require a contractor in New Mexico.** The Construction Industries Division is the division of NMRLD that licenses contractors in many different license classifications. Visit their [Frequently Asked](#)



[Questions](#) page which covers general building topics as well as electrical and mechanical work.

- **You can file a complaint directly with the New Mexico Department of Justice.** The department has a unit focused on providing general information, taking complaints and providing assistance to anyone impacted by disasters throughout the state. If you feel that you have been wronged by an individual or organization providing recovery services, or if you believe you are a victim of scams, price gouging, fraudulent fundraising or other predatory practices, you can file a complaint with their office. Visit their [help page on flood recovery](#) for more information and resources.
- You may also report suspicious activity to your local police department or the **FEMA Disaster Fraud Hotline at 866-223-0814**. Visit FEMA's [Disaster Fraud](#) website for more information.

For the latest information about New Mexico's recovery, visit [fema.gov/disaster/4886](https://fema.gov/disaster/4886). Follow FEMA Region 6 on Facebook at [facebook.com/femaregion6](https://facebook.com/femaregion6) and on X at [x.com/FEMARegion6](https://x.com/FEMARegion6).



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