



**Consumer Federation of America**

## **Ten Tips for Navigating the COVID-19 Pandemic (and Other Disasters)**

**July 26, 2021**

### **Auto**

If you're considering buying a car, shop around and don't commit to anything until you have read the contract and the finance agreement carefully to make sure you know the terms and cost of the deal. Don't be rushed or pressured, ask questions, and if there is anything you still don't understand, show the paperwork to someone you trust before you sign. When you buy a new car, state law protects you if there are problems that substantially affect your ability to use it, but not all problems make a new car a "lemon." Ask your state or local consumer agency about your lemon law rights.

At [http://www.ialla.net/law\\_contacts.htm](http://www.ialla.net/law_contacts.htm) the International Association of Lemon Law Administrators provides information about how to reach the government agency that oversees the new car lemon law in your state. It also offers tips for consumers on issues such as how to prepare for lemon law arbitration hearings.

Thinking about trading in a car that you still owe money on? Since it's frequently cheaper to repair a car than to replace it, you might be better off financially if you wait until you can pay off your existing car loan before you buy another vehicle. But if you can't delay, get the dealer's promise to pay off the loan on your trade-in in writing and follow up with your lien holder within 30 days of signing the contract to confirm that the promise has been kept. If you're buying a used car, don't take it from the dealer's lot until you have all of the paperwork you need to register it in hand.

Only do business with auto repair shops that you know and trust or that have good reputations based on other people's experiences. Be sure to get an itemized receipt for the work. If you have any doubts about the diagnosis of your car's problem, bring it to another shop for a second opinion.

If you're considering buying an RV or any other type of vehicle, get any promises the dealer makes in writing in case there are questions later about the terms of the deal, such as whether your deposit will be refunded if the financing falls through.

Don't do business with car dealers or auto mechanics who are operating in parking lots or other locations that are not their regular places of business. They may not be licensed or in compliance with other legal requirements that apply to them, and they could be hard to find if you have problems later.

Have a problem with an auto repair shop? Give the owner or manager a chance to resolve it, but if that fails, contact your state or local consumer agency for advice and assistance.

Purchasing a car "as is" doesn't always mean that you're out of luck if something goes wrong. You may be able to hold the dealer responsible. But the best way to protect yourself is to have the car checked out by a mechanic you trust before buying it to look for problems that might not be obvious to you. Buying a used car long-distance is especially risky since you may not be able to test drive it or have a mechanic examine it before you pay, and shipping it back if it's not satisfactory could be expensive.

Auto repairs may take longer than expected because the shop has trouble getting the right parts or the mechanic discovers that additional work is needed. Keep in touch with the shop and make notes about the dates of each conversation, who you talked to, and what was said. Don't pay before the work is done. If you think that you're being strung along, ask your state or local consumer agency for help.

New car defects can be more than inconvenient—they can be dangerous. Contact the National Highway Traffic Safety Administration at [www.nhtsa.gov](http://www.nhtsa.gov) or by calling 800-424-9153 to get information about auto recalls, check for complaints from other individuals about the same problem, and report safety defects. If there are problems with your new car that substantially affect your ability to use it, ask your state or local consumer agency about your lemon law rights.

Review the auto sales contract carefully before signing. If there is something in it that doesn't match what is on the vehicle or what the salesperson told you, beware! You may want to steer clear of the deal.

Just as with buying a car, it's a good idea to research the make and model of the boat you're considering as well as the reputation of the dealer. Check online boat reviews and sources of complaint information such as the Better Business Bureau, <https://www.bbb.org/>. If there are any problems after the sale, keep records of what they are, when you contacted the dealer, how long the boat was in the repair shop, and what repairs were made. Contact the manufacturer if the problems persist.

## **Business Services**

Buying equipment for your business? Ask potential suppliers if they have experience with providing machinery for the specific work you'll be doing. Be sure that the bill of sale includes a description of what the equipment is intended to be used for in case there are any issues later about its suitability for the job.

When you agree to provide services for a company, there should be a written contract that clearly spells out the terms, including how you will be paid and the grounds for termination. Not all state or local consumer agencies handle business-to-business disputes, but they may at least be able to provide advice.

You have a great idea for a new product or service, but how do you get started? There are many companies that promise to evaluate, develop and market people's inventions, but they may be more interested in getting your money than in promoting your idea. A legitimate invention promoter will tell you how many inventions it has evaluated, how many of those inventions got positive or negative evaluations, its total number of customers, how many of those customers received a net profit from the promoter's services, and how many of those customers have licensed their inventions due to the promoter's service. And it will get paid through royalties if your invention is a success, not by charging you a large fee in advance. For more information about how to protect yourself go to <https://www.consumer.ftc.gov/articles/0184-invention-promotion-firms>.

## **Communications**

Problems with the quality of your internet service? Speak up! Keep notes of when outages or other service problems occurred, who you spoke to at the company and on what dates, and what they said. If you don't get satisfaction, contact your state or local consumer agency for advice. In addition to getting the problem fixed, you may be entitled to a bill adjustment.

If you're going away for an extended period of time, you may want to make special payment arrangements with your telephone and utility suppliers. Keep a record of when you contacted them, the names of the people you dealt with, and the specific terms of the agreement. Ask them

to send confirmation of the arrangement in case there are any questions or problems when you return.

Check your phone bill carefully before paying it in case there are any mistakes or unauthorized charges. If you have a billing problem and can't resolve it, ask your state or local consumer protection for help.

The Federal Communications Commission is working to rein in excessive rates and egregious fees on phone calls from jails and prisons. For information about caps on allowable calling rates and fees go to <https://www.fcc.gov/consumers/guides/telephone-service-incarcerated-individuals>.

## **Credit/Debt**

When you're financing a purchase through a retail store for furniture, appliances, or other expensive items, take the time to carefully read the agreement before signing, no matter whether it's a document on paper or on a computer. Don't be pressured, and ask questions if anything is not clear. Some financing arrangements can add significantly to the cost of the merchandise. You might want to consider other options, such as lay-away. For more information go to <https://www.consumer.ftc.gov/articles/rent-own-lease-own-layaway-and-buying-over-time>.

The Consumer Financial Protection Bureau offers information about how to calculate the amount you can afford to borrow to buy a car, the different ways that you can finance the loan, and what your lending rights are. See <https://www.consumerfinance.gov/consumer-tools/auto-loans/>.

Debt mix-ups can happen when people have the same names, account numbers are entered incorrectly, or other mistakes occur. If you're contacted about a debt you don't believe you owe, don't ignore it! Your credit could be damaged and you may be sued. Contact your state or local consumer agency for advice. For more information about debt collection go to <https://www.consumerfinance.gov/consumer-tools/debt-collection/>.

Reverse mortgages typically require homeowners to keep their payments for property taxes and insurance current. Failure to do so can lead to foreclosure. As part of the loan agreement, the mortgage servicer may automatically withdraw money from your bank account to make those payments for you. If you have such an arrangement, check with the tax collector and your insurance company to confirm that the payments were made when they were due. For information about reverse mortgages go to <https://www.consumerfinance.gov/consumer-tools/reverse-mortgages/>.

Many states limit fees for debt settlement services. While there is no federal fee cap, federal rules prohibit debt settlement and other for-profit debt relief services from charging fees until they've

actually obtained a satisfactory solution for consumers. There are some exceptions; see information at [www.ftc.gov/bcp/edu/pubs/consumer/credit/cre02.pdf](http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cre02.pdf).

There are many ways to finance higher education. Unfortunately, some for-profit schools exploit students by pushing them into high-cost loans they may not be able to afford. Learn about student loans and how to avoid the pitfalls at <https://www.consumerfinance.gov/consumer-tools/student-loans/>.

Payday loans are very expensive and can trap you in a never ending cycle of debt. Even worse is being dunned for a payday loan that you never took out. You have the right to dispute a debt you do not owe. See <https://www.consumerfinance.gov/consumer-tools/debt-collection/>. New rules from the Consumer Financial Protection Bureau about the frequency of debt collection calls may be coming soon.

## **Employment**

Workers are legally entitled to get the wages they are owed. If you believe that you are being shortchanged by your employer, don't be afraid to stand up for your rights.

Whether you are an employee or a contractor, you are entitled to be paid for the work you do. Ask your state or local consumer agency where to go for help.

## **Fraud**

Common danger signs of fraud include: promises of sudden riches with no work or risk; unexpected demands for money to avoid something bad happening; popular items offered online at incredibly low prices; and requests to send payment for something using a money transfer service or gift cards. Protect yourself by checking with your state or local consumer agency before you take the bait.

Online dating sites, social media sites and other forums on the internet make it possible to meet people from all over the world. But they're also places where scammers lurk, waiting for someone to come along who wants to be friends – or maybe something more – and building a fake relationship with the person until the time is ripe to ask for money. Once you've sent the cash, you can kiss your "sweetie" goodbye.

Dishonest immigration consultants can do more than just rob people of their money; if they fill out your application incorrectly they can damage your chance of success. Only licensed attorneys or nonprofit organizations that are authorized by the U.S. Citizenship and Immigration Services (USCIS) office can give you legal advice or represent you to obtain legal status. For more information go to [www.uscis.gov/avoidscams](http://www.uscis.gov/avoidscams) or call 800-375-5283, TDD 800-767-1833.

No one from Medicare will ever call asking for your Medicare number or other personal information unless you've given them permission in advance, call to try to sell you something, enroll you in anything over the phone unless you called first, or visit your home. Learn more and report Medicare fraud at <https://www.medicare.gov/forms-help-resources/help-fight-medicare-fraud>.

You've heard the saying, "On the internet, no one knows you're a dog." It's also hard to know if the person who is offering a dog for sale actually has it or if it's a scam. One "tell-tail" sign is if you're asked to send your payment via a money transfer service. Legitimate businesses don't ask for payment that way, but fraudsters do because they can get the cash fast and it's hard to trace them. Pet scams are so common even the International Pet and Animal Transportation Association warns consumers about them. See <https://www.ipata.org/pet-scams>.

Swindlers sometimes impersonate celebrities or even create totally fictitious ones to lure people into sending them money, and social media platforms enable them to reach millions of potential victims all over the world. Search online for the name the person is using plus "scam" to see if anything pops up.

Tech support scammers use pop-ups and other forms of online ads, and also solicit victims by phone and email. Often pretending to be from well-known companies, they ask for money but don't do any work. They may claim that there is a problem with your computer when there isn't, and even worse, they may cause a problem with your computer and then demand money to fix it. If you need computer help, find a local vendor. Never let anyone who contacts you out of the blue have access to your computer. If while browsing on the internet, you receive a pop-up window warning you that your computer is infected or there is an "error" and you must call a number or click a link for tech support help, press Control+Alt+Delete, and use the Task Manager to close out the pop-up window. Do not click a link, call the number listed or attempt to use the "X" in the corner to close the pop-up. Learn about the "tech support scam" at <https://www.consumer.ftc.gov/articles/0346-tech-support-scams>.

Telephone companies are working on ways to block unwanted robocalls and stop fraudulent Caller ID spoofing. Ask your landline and/or wireless phone service provider what tools are available to you. For more information go to <https://www.fcc.gov/consumers/guides/stop-unwanted-robocalls-and-texts>.

Online shopping sites such as Amazon don't contact people to tell them a big order has just been placed using their credit cards and ask them to call if they didn't make the purchase. This is just another type of "phishing scam" designed to scare people into providing their passwords, credit card numbers and other sensitive information. See <https://www.consumer.ftc.gov/blog/2020/07/hang-business-imposter-scams>.

If you get a robocall from someone to whom you did not give permission to make those kinds of calls to you, don't press certain digits on the keypad or call a number that's provided. You'd just be confirming your number to a scammer.

Does the price seem too good to be true? That's because it's a scam. Never send money to individuals through websites that don't provide buyer protection.

## **Health Products/Services**

Use gift cards and gift certificates as quickly as possible, as businesses can close without warning and there is no guarantee that you'll be able to get the unused value.

If you suspect there is a problem with a medical product, ask your state or local consumer agency where to report it.

Should you pay to subscribe to a service for help obtaining low-cost or free drugs from pharmaceutical companies' patient assistance programs? Compare the monthly fee to the actual savings you might get. You can find the drug makers' patient assistance programs yourself using Medicare's directory at <https://www.medicare.gov/plan-compare/#/pharmaceutical-assistance-program>; some states also have directories, see <https://www.medicare.gov/plan-compare/#/pharmaceutical-assistance-program/states>. If the application forms are complicated, perhaps a trusted friend or someone from a social service agency can assist you. Another way to try to lower your drug costs is to consult with your doctor about generic drugs, which are less expensive than brand-name ones and may be as effective.

## **Home Improvement/Construction**

Get estimates from a few contractors and ask for referrals to previous customers so you can check on their reliability and the quality of their work. You may also find useful information about contractors from the Better Business Bureau and other sources by searching online.

Many states have enacted laws concerning solar sales and leases. Before you sign a contract, ask your state or local consumer agency about your rights and the company's responsibilities. Be sure you understand the terms and what will happen if you decide to sell your home or no longer want solar power. Get a written contract that spells out everything you've been told. The Solar Energy Industries Association offers free guides at <https://www.seia.org/initiatives/solar-customer-resource-portal>.

If you've paid for home improvement work that was never even started, you may be the victim of a crime. Contact your state or local consumer agency.

Pay only a small deposit when you contract for home improvement work; some state laws limit the percentage of the total price that can be requested upfront. Get a written contract that sets out the work and payment schedule. Payments should be proportionate to the work done and the supplies that have been ordered.

Some problems with home improvement work only become evident after the warranty has expired. Contact the contractor as soon as you discover the problems. Take pictures and keep notes as documentation. If the issue is faulty materials or installation, it's likely that other homeowners are having the same problem. Ask your state or local consumer agency for advice about next steps.

Be sure the home improvement contract specifies the date that the work will begin. While there may be legitimate reasons for delays, such as problems obtaining materials or other jobs taking longer than expected, the contractor should let you know and provide you with a new starting date. Contact your state or local consumer agency if the contractor is unresponsive.

If a contractor has left you without a roof over your head or the shell of a house, you may need to fire the company and hire a new one. In some states consumers can apply for reimbursement from a home improvement guaranty fund if they can't resolve problems with their contractors, but to be eligible there may be a requirement that the contractor was duly registered or licensed – a good reason to ask your state or local consumer protection agency what you need to know before you sign on the dotted line for the work.

Before having a home constructed, consult with an attorney about whether a performance bond or other protections can be built into the agreement.

Never pay the full amount for home improvement work until the job is done. You have no leverage if the work is incomplete or unsatisfactory.

Home improvement can be one of the most costly investments consumers make in their lifetimes. It's essential to get estimates and have a written contract that lays out the payments and total cost.

If contractors are regulated in your area, check with the government agency that oversees that program on whether there have been disciplinary actions against the contractor you're considering. Be aware that subcontractors may be able to put liens on your property if the contractor hasn't paid them. Don't make the final payment until the contractor can confirm that the subcontractors have been paid for their work.

Even legitimate home improvement contractors can run into financial or supply problems that prevent them from completing the job. Protect yourself by insisting on a contract that sets a



payment schedule that is proportionate to the work that is done and the materials that are delivered. If the contractor has gone out of business, contact your state or local consumer agency for advice and assistance.

If the contractor is arranging for financing for the job, carefully read the loan agreement to make sure you understand the cost and terms.

Take pictures to document shoddy workmanship and any damage it has caused, and ask your local or state consumer agency for assistance if you can't resolve the problem with the contractor.

## **Home Solicitations**

If your phone number is on the federal or a state “Do Not Call” registry and you're getting sales calls from companies that you don't do business with, or you're getting pre-recorded sales calls from a company that you never gave written permission to make those kinds of calls to you, it's a violation of your telemarketing rights. Learn more about your calling rights and where to report violations at [http://consumerfed.org/consumer\\_info/understanding-your-telemarketing-rights/](http://consumerfed.org/consumer_info/understanding-your-telemarketing-rights/).

## **Household Goods**

Resist pressure to buy extended warranties. They usually have all sorts of exclusions and limitations and don't provide much more protection than the manufacturer's warranty that comes with the appliance. Even if you buy an extended warranty, you may have to be persistent to get repairs or a replacement. Keep notes of your communications with the warranty company, including the dates, who you dealt with, and what you were told in case you need that information to make a complaint or take other action.

It's aggravating when appliances break down and even more aggravating if you are being bounced between the manufacturer, the retailer, and the company that handles the warranty claims. Keep track of your communications as you try to resolve the problem and contact your state or local consumer agency if you need help.

If new furniture is defective, don't take it lying down – insist that it be repaired or replaced. Take pictures of visible defects, and if necessary pay an independent repair shop to assess the problem and give you a written statement.

## **ID Theft**

Most states require residents to be notified about data breaches, and in some cases, to be provided with certain types of assistance. Federal law now allows consumers to ask the credit

reporting agencies to “freeze” their credit records, at no charge, whether they are ID theft victims or not, to make it harder for their personal information to be misused if it does fall into the wrong hands. For more information go to <https://www.consumer.ftc.gov/articles/0497-credit-freeze-faqs>.

## Internet Sales

When you order something by phone, by mail, or online, federal regulations require the merchandise to be shipped by the time promised, or if no delivery date was specified, within 30 days. If the delivery is delayed, you must be notified and given the choice to wait longer or cancel for a refund. The retailer can cancel the transaction, however, if it had a reasonable basis to believe that it could make timely delivery when it accepted your order but later learns that it cannot.

A free trial offer doesn’t mean that you get something for free, no strings attached. Typically you’ll be charged unless you cancel before the trial period ends, and depending on the terms of the deal, the charges may go on and on every month indefinitely. Be sure you know exactly what you’re getting into if you agree to a free trial offer and report any problems to your state or local consumer agency.

If you are thinking about buying expensive equipment online, check the seller’s reputation with the Better Business Bureau and on complaint websites. Make sure you know the terms of the deal and print the details of the transaction to keep in case any questions or problems arise later. If you can’t get clear answers for why there is a delay, or the seller doesn’t fulfill the contract in a timely manner but tries to intimidate you or charge you for canceling, contact your state or local consumer agency.

Buying perishable goods online can be risky if the seller doesn’t package it properly and deliver it promptly.

Using a credit card is the safest way to pay for online purchases because federal law gives you the right to dispute the charge within 60 days of receiving the first bill on which it appears if it’s for the wrong amount, you never got the merchandise, or what you got is different than what you were promised. If you don’t discover a problem with an order until after that 60-day window, you may have a legitimate beef with the seller, but your ability to get a chargeback (refund) from your credit card issuer will depend on its internal policies. For the strongest protection, look for online retailers that promise delivery sooner than 60 days. Contact your credit card issuer right away if there is a delay in shipping or other problems.

## **Landlord/Tenant**

You may be entitled to a certain amount of notice before your landlord can unilaterally end your tenancy. If you're unsure whether your landlord is treating you fairly, don't suffer in silence. Ask your state or local consumer agency for information about your rights and how to enforce them.

Tenants are generally only responsible for damage or other problems they and their guests cause. If your security deposit has been wrongly withheld or isn't returned to you in a timely manner, contact your state or local consumer agency.

Many states require landlords to ensure that their rental property meets certain safety and health standards. But tenants are generally responsible to treat the property respectfully and avoid causing damage. Your state or local consumer agency can give you information about your rights and responsibilities as a tenant and help to mediate disputes with the landlord.

If you contact your landlord about health or safety problems with the property, you may want to follow up with a letter and keep a copy so you'll have a record. The time limits for landlords to make repairs may depend on the seriousness of the problems. Your state or local consumer agency can give you information about the landlord's obligations. If timely action isn't taken to remedy the problems, contact the local inspector. Some state laws specifically protect tenants from retaliation for reporting health code violations. You may be able to break the lease if the house or apartment becomes uninhabitable because of the issues.

## **Moving**

Always get a written estimate for moving services and be sure you know what is included in the price, including how compensation will be calculated if anything is damaged. You may want to purchase additional insurance if you have valuable furniture or other belongings. If your property is going to be in storage for a while, inspect the storage area first to look for signs of water and other potential problems.

Before you buy a pet from a store or a breeder, ask your state or local consumer agency about your rights if the animal turns out to be unhealthy. You can find information about dog breeders and buying dogs through the American Kennel Club, [www.akc.org](http://www.akc.org). For information about cats and cat breeders, visit the American Cat Fanciers Association at [www.acfacat.com/](http://www.acfacat.com/).

## **Real Estate/Timeshares**

Tempted to buy a timeshare? Ask yourself: Can you afford it? How does the cost compare to what you normally spend on accommodations when you go on vacation? What happens if you can no longer use it? Resist pressure to purchase a timeshare, and don't rely on the salesperson's

assurances. Get the total cost, including fees and finance charges, and all promises in writing, and read the documents carefully. Check the company's reputation with the Better Business Bureau nearest to its headquarters (find it at <https://www.bbb.org/bbb-locator/>). Remember, once you sign, you may not be able to cancel.

Selling real estate can be complicated. Have a lawyer review the paperwork and advise you on any requests for listing fees or other payments you're asked to make.

It's worthwhile to have a lawyer represent you when you buy or sell a home to make sure that the property is free of liens and there are no other problems that could come back to haunt you later.

Own a timeshare you don't want or can no longer use? Avoid companies that ask for fees upfront to sell your timeshare, regardless of whether they succeed, and don't believe them if they claim they have eager buyers waiting. Consult with a licensed real estate broker or agent who can tell you if there is a market for your timeshare and will only take a fee if it's actually sold. For more information about buying and reselling timeshares go to <https://www.consumer.ftc.gov/articles/timeshares-vacation-clubs-and-related-scams#avoid>.

Some timeshare companies are unscrupulous, using high-pressure sales tactics and lies to wear people down and get them to agree to make a purchase – or even to buy multiple timeshares. If you or someone you know was abused by a timeshare company, ask your state or local consumer agency for advice about what to do.

The board of directors of a homeowner's association sets the rules owners must abide by and is responsible for collecting fees and enforcing the rules. The board is also responsible for ensuring that the common areas are well-maintained. In addition to the association's rules, there may be state or local laws that apply. If you have a problem or question about your rights, your state or local consumer agency may be able to provide advice and assistance.

## **Retail**

The products you buy should perform as you would expect them to for a reasonable period of time, whether they are covered by written warranties or not. If a product stops working repeatedly, you may have the right to insist on a replacement or a refund.

A mobile home is a big investment. Before you buy one, make sure you have a place to put it, since there is no automatic right to cancel the purchase if your circumstances change.

Handling funeral arrangements can be stressful, but as with any major purchase, it's important to get a contract that specifies what will be done and when, and to follow up with the seller if the

products or services are not provided. Don't pay the full amount before everything you were promised has been done. At <https://funerals.org/> the nonprofit Funeral Consumers Alliance provides information about planning funerals and your legal rights.

## Services

If you have reason to believe that a plumber, electrician or heating and air conditioning contractor is not competent to do the work properly, ask your state or local consumer agency where you should report the problem.

Be cautious before entrusting valuable items for repairs or consigning them for sale. Get a written receipt that describes what will be done. Don't make any payments until the repairs have actually been made. Commissions for sales are normally deducted from the proceeds. Be sure you know what will happen with your items if they do not sell.

Paying for services with a credit card rather than a check gives you added protection because you can dispute the charges if they aren't performed or are not done correctly.

## Towing

If you believe that your vehicle was towed from private property unfairly, ask you state or local consumer agency for information about the laws that apply and what your rights are.

Failure to obey the parking rules set by apartment complexes, condominium, and homeowners associations can result in a costly tow. If you believe a tow was improper or you were overcharged, pay the fee to avoid storage charges and contact your state or local consumer agency for advice.

If you are parking a vehicle that you don't own in your designated parking space at your apartment complex, you might want to let the management know to avoid confusion and an unnecessary tow.

## Travel

Many travel agencies and tour companies belong to the American Society of Travel Advisors (ASTA), whose code of ethics requires members to deliver the services they promised and make prompt refunds when they are due. See Traveler Support under Find a Travel Advisor on the website, <https://www.asta.org/>. The safest way to pay for travel is by credit card because you can dispute the charges if the services were never provided or the refund to which you are entitled wasn't made.