

PS COMMITTEE #2  
May 3, 2010

**Worksession**

**MEMORANDUM**

April 30, 2010

TO: Public Safety Committee

FROM: Susan J. Farag, Legislative Analyst 

SUBJECT: **Worksession:** FY11 Operating Budget  
**Office of Consumer Protection *continued***

*Those expected for this worksession:*

Eric Friedman, Director, Office of Consumer Protection (OCP)  
Marsha Carter, OCP  
Phil Weeda, Office of Management and Budget (OMB)

**Summary of April 15, 2010 Committee Worksession**

The Committee discussed several items regarding the OCP operating budget, including the ongoing staff reductions the office has faced. Mr. Friedman indicated that in order to continue providing services with fewer staff, his office is moving from specialty assignments to more generalist work. They are currently cross-training staff on the various types of consumer issues they receive. Some, like vehicle mechanical issues, remain specialized and OCP does have a certified mechanic/automotive expert on staff to investigate these types of complaints.

Mr. Berliner remarked that the work provided by OCP is extremely valuable, as evidenced in part by the Council's adding various responsibilities and authority to the office over the past several years. Facing our extreme budget shortfall, however, Mr. Berliner asked to have the conversation about whether OCP should be abolished, since the State does provide similar services to Maryland consumers. He also asked whether there were any other local consumer protection agencies in the State.

Mr. Friedman responded that Howard County does have a Consumer Affairs office. While the State does provide similar services, it does not provide many of the same individualized services that OCP provides to County residents, nor do they provide services at

such a personal level. OCP provides, depending on the complaint, face-to-face mediation, field inspections, vehicle inspections, and even transports victims of fraud to Court. (See April 29, 2010 letter from the State Office of the Attorney General Consumer Protection Division for a more detailed description of services provided by each office on © 11-12).

### **The County Executive's FY10 and FY11 Budget Adjustments**

The CE's recommended budget adjustments (April 22, 2010) contains no specific changes to the OCP's operating budget.

The CE has instructed all departments to aggressively liquidate prior year and current year contract encumbrances to reach a goal of \$35 million in liquidations. According to the CE's memo, they have achieved about half of this goal and continue to find cuts. The Executive branch advises it will provide the Council with additional information including the affected contracts within the next two weeks. **Council staff advises that is unknown at this time whether any contract liquidations may impact OCP. The Committee may wish to ask OCP which contracts, if any, will be liquidated and what type of impact that will have on operations.**

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PS COMMITTEE #3  
April 15, 2010

Worksession

MEMORANDUM

April 13, 2010

TO: Public Safety Committee

FROM: Susan J. Farag, Legislative Analyst *SJF*

SUBJECT: **Worksession: FY11 Operating Budget  
Office of Consumer Protection**

*Those expected for this worksession:*

Eric Friedman, Director, Office of Consumer Protection (OCP)  
Marsha Carter, OCP  
Phil Weeda, Office of Management and Budget (OMB)

**Major Issue: The FY11 CE Recommended Budget reduces OCP staff by 3.8 workyears. This follows a multi-year trend where staffing has been reduced more than 33% since FY07. Given the additional responsibilities OCP has assumed over the past several years, additional staff reductions may impact service delivery. Please see discussion below.**

The Executive's recommendation for the Office of Consumer Protection is attached at ©1-5.

**Overview**

For FY11, the Executive recommends total expenditures of \$2,077,310 for the Office of Consumer Protection, a 14.9% reduction from the FY10 approved budget.

(1)

	FY09 Actual	FY10 Approved	FY11 Rec.	% Change FY10-FY11
<b>Expenditures:</b>				
<b>General Fund</b>	\$2,567,048	\$2,442,010	\$2,077,310	-14.9%
<b>Grant Fund</b>				
<b>TOTAL Expenditures</b>	\$2,567,048	\$2,442,010	\$2,077,310	-14.9%
<b>Positions:</b>				
<b>Full-time</b>	21	19	16	-15.8%
<b>Part-time</b>	1	0	0	-100.0%
<b>TOTAL Positions</b>	23	19	16	-15.8%
<b>WORKYEARS</b>	21.3	18.5	14.7	-20.5%

The FY11 CE recommendation is a net decrease of \$364,700. This decrease comes from one change with a service impact, abolishing the Investigator III position, for a savings of \$135,930, as well as the following identified same services adjustments:

<b>Identified Same Service Adjustments</b>	
Shift: Climate Change Advocacy and Assistance from the Climate Change NDA	\$50,000
Increase cost: Pro. services contract to support investigative caseload of abolished Manager III position	\$38,500
Increase Cost: Retirement Adjustment	\$37,480
Increase Cost: General Office/Computer Supplies/Misc.	\$17,000
Increase Cost: Annualization of FY10 Personnel Costs	\$11,530
Increase Cost: Group Insurance Adjustment	\$11,080
Increase Cost: Copiers and Fax Machines	\$6,360
Increase Cost: Promotion for Public Admin. Intern to Investigator	\$5,510
Increase Cost: Operating Expenses	\$3,520
<b>Total Increases:</b>	<b>\$180,980</b>
Decrease Cost: Consumer Education Materials	(\$550)
Decrease Cost: Dues and Membership	(\$1,000)
Decrease Cost: Travel Expenses	(\$1,540)
Decrease Cost: Mailing newsletters, consumer ed. materials, annual report	(\$1,950)
Decrease Cost: Communication Services	(\$2,500)
Decrease Cost: Printing newsletters, consumer ed. materials, annual report	(\$2,910)
Decrease Cost: Printing and Mail Adjustment	(\$3,520)
Decrease Cost: Printing Services	(\$3,550)
Decrease Cost: General Office and Computer Supplies	(\$7,930)
Decrease Cost: Misc. Office Expenses	(\$9,010)
Decrease Cost: Lapse Principal Administrative Aide position	(\$11,210)
Decrease Cost: Other Professional Services and Contracts	(\$11,500)
Decrease Cost: Turnover Savings for Vacant PAA Position	(\$30,990)
Decrease Cost: Furlough Days	(\$51,800)
Decrease Cost: Abolish Program Specialist	(\$112,920)
Decrease Cost: Abolish Manager III	(\$156,870)
<b>Total Reductions:</b>	<b>(\$409,750)</b>
<b>NET SAME SERVICES ADJUSTMENT TOTAL</b>	<b>(\$228,770)</b>

## FY11 Expenditure Issues

### Personnel Complement

Personnel costs comprise 88.9% of OCP's FY11 recommended budget, for 16 full-time positions and no part-time positions. The CE FY11 recommended budget abolishes three positions, for a total reduction of 3.8 workyears. This follows a multi-year trend of reducing staff within OCP by more than 33% since FY07, as illustrated in the chart below.

**OCP Personnel Changes FY07 to FY11**

	FY07 Actual	FY08 Actual	FY09 Actual	FY10 Approved	FY11 Rec	Net Change FY07- FY11	% Change FY07-FY11
<b>Positions:</b>							
Full-time	23	22	21	19	16	-7	-30.4%
Part-time	1	1	1	0	0	-1	-100.0%
<b>TOTAL Positions</b>	<b>24</b>	<b>23</b>	<b>22</b>	<b>19</b>	<b>16</b>	<b>-8</b>	<b>-33.3%</b>
<b>WORKYEARS</b>	<b>23.3</b>	<b>22.3</b>	<b>21.3</b>	<b>18.5</b>	<b>14.7</b>	<b>-8.6</b>	<b>-36.9%</b>

**Abolished Positions:** The FY11 includes the abolishment of three full-time positions, including Program Specialist, Investigator II, and Manager III. All three positions are currently filled. All work from these positions will be redistributed among remaining investigators and managers. OCP also plans to hire contractual services to support the investigative caseload of the abolished Manager III position, for a cost of \$38,500. A current organizational chart, including breakdown by workyears for the various programs, is included on © 6. This will change in FY11, depending on how the Reduction in Force proceeds.

Even though staffing has been reduced over the past several years, the scope of OCP responsibilities has increased. OCP is responsible for the oversight of several new initiatives, including oversight of:

- Domestic workers model contract (Bill 32-08);
- Energy and environmental advocacy (Bill 35-07)
- Development tax district disclosure (Bill 36-07); and
- Property tax disclosure (Bill 24-07).

Council staff advises that while OCP can manage the current workload with the proposed staffing reductions, there are no vacant positions, and no room for the absorption of additional duties if any additional staff resign or retire over the next fiscal year. ***Due to current budget constraints, Council staff is not recommending the restoration of any abolished positions. However, given that staff has been reduced by over 33% over the past five fiscal years, leaving no room for the loss of any additional staff, Council Staff recommends that OCP personnel changes continue to be monitored over the next fiscal year as they were in FY10. OCP should***

*continue to provide regular updates to the Committee during its regular quarterly reports, so that the Committee stays apprised of workforce changes and material impacts on operations.*

**Volunteers:** The Committee has been briefed in the past on OCP's use of volunteers and the innovative use of college and law school interns to help perform core functions of the office, providing more than 2,500 hours of volunteer work. *The Committee may want to ask OCP whether it envisions a larger role being played by volunteers due to fiscal constraints.*

**Operating Expenses**

The FY11 recommended budget contains various reductions in operating expenses, including cuts to communication services (-\$2,500), mailings (-\$1,950), printing newsletters, annual report, and consumer education materials (-2,910). These are traditional methods used by OCP for educating County residents about various consumer issues. *The Committee may wish to ask OCP staff how they intend to continue the education function, for example, by using more web-based outreach, etc.*

**FY11 Revenue Issues**

FY11 revenues for OCP are calculated based on civil citations, new home builder licenses, and consumer affairs business licenses. Licensure revenue is not expected to significantly change over the next fiscal year. Revenue information is summarized below.

**FY10 Revenue Summary**

Category	Actual FY09	Approved FY10	Rec. FY11	\$ Change FY10-FY11	% Change FY10-FY11
Civil Citations	0	1,000	1,000	\$0	0%
New Home Builder Licenses	\$178,115	\$200,000	\$200,000	\$0	0%
Consumer Affairs Business Licenses	\$67,155	\$69,200	\$69,200	\$0	0%
<b>Total General Fund Revenues</b>	<b>\$245,270</b>	<b>\$270,200</b>	<b>\$270,200</b>	<b>\$0</b>	<b>0%</b>

**Council Staff Recommendation**

Council staff recommends approval of the FY11 Operating Budget for OCP as submitted by the Executive. Council staff also recommends continued monitoring OCP staffing changes throughout FY11 and reporting back to the Committee should staffing changes have any material impact on service delivery.

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# Consumer Protection

## MISSION STATEMENT

The mission of the Office of Consumer Protection (OCP) is to enforce consumer protection laws prohibiting unfair and deceptive business acts or practices to ensure a fair marketplace for consumers and businesses. Activities include complaint resolution, law enforcement, education, legislation, advocacy, and outreach to vulnerable consumers.

## BUDGET OVERVIEW

The total recommended FY11 Operating Budget for the Office of Consumer Protection is \$2,077,310, a decrease of \$364,700 or 14.9 percent from the FY10 Approved Budget of \$2,442,010. Personnel Costs comprise 88.9 percent of the budget for 16 full-time positions for 14.7 workyears. Operating Expenses account for the remaining 11.1 percent of the FY11 budget.

## LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ ***A Responsive, Accountable County Government***
- ❖ ***Strong and Vibrant Economy***
- ❖ ***Vital Living for All of Our Residents***

## DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY10 estimates incorporate the effect of the FY10 savings plan. The FY11 and FY12 targets assume the recommended FY11 budget and FY12 funding for comparable service levels.

## ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***Partnered with the Montgomery County Police Department to create a National Association of Counties (NACO) award winning on-line training program, enabling police officers to better respond to incidents involving consumer protection issues.***
- ❖ ***Collaborated with the Department of Permitting Services and the Maryland State Department of Labor, Licensing and Regulation to initiate and promulgate a program to prohibit unlicensed home improvement contractors from obtaining building permits thereby protecting County residents from doing business with unlicensed contractors. This early point of contact can prevent significant losses to County homeowners by alerting them to a contractor's licensing status before work commences.***
- ❖ ***Worked with the County Council to develop and produce a cable television program, Consumer Compass, in which the office's experienced staff discusses consumer issues to educate consumers and ensure integrity in the marketplace. The office educates consumers on a variety of topics ranging from foreclosure rescue scams to automotive maintenance and repair.***
- ❖ ***Conducted a "sweep" with the Montgomery County Department of Fire and Rescue Service regarding the sale of illegal electrical items in Montgomery County stores to promote safety in stores and the sale of consumer goods.***
- ❖ ***Collaborated with the Montgomery County Sheriff's Department to develop a NACO award winning commercial on eviction/loss prevention program. This program is designed to protect consumers' possessions, which may otherwise be lost or damaged during a commercial eviction.***
- ❖ ***Issued an investigative report regarding limousine service firms in Montgomery County. In the report, the office analyzes several criteria and advises consumers on how to select a legitimate limousine firm. The office received national media attention for its report.***
- ❖ ***Trained a group of dedicated English and Spanish speaking volunteers and interns. Volunteers contributed a total of approximately 2,500 hours in FY09, enabling OCP to "leverage" its ability to be productive. Volunteer hours are***

equivalent to over 1.0 full-time staff hours. This resource will continue to be utilized and will be expanded in FY10 and FY11. Expansion efforts are underway to target local law schools and colleges to recruit qualified legal assistants to complement OCP's staff.

## PROGRAM CONTACTS

Contact Marsha Carter of the Office of Consumer Protection at 240.777.3686 or Phil Weeda of the Office of Management and Budget at 240.777.2780 for more information regarding this department's operating budget.

## PROGRAM DESCRIPTIONS

### Consumer Protection

The OCP receives and investigates complaints and initiates its own investigations of deceptive or unfair trade practices against consumers. Staff resolves disputes between consumers and merchants, identifies violations of County, State, and Federal consumer protection laws, and makes referrals to other agencies when appropriate. Complaint categories include automotive sales/repairs, new home construction, home improvement repairs, predatory financial practices, credit and collection practices, telemarketing, and retail sales.

The OCP issues subpoenas to compel the production of documents or compel the attendance of witnesses. The office is authorized to hold hearings, administer oaths, and issue civil citations for violations of consumer protection laws. Special investigations are conducted and may result in Settlement Agreements or abatement orders, or in transmitting cases to the Office of the County Attorney for appropriate legal action. Investigators initiate charges for criminal prosecutions by the Office of the State's Attorney, and investigators also testify in court as expert witnesses. In addition, the Office engages in consumer advocacy by testifying before County, State, and Federal legislative bodies and by drafting new legislation to protect consumers.

The OCP develops and conducts consumer education programs. The Office issues press releases through the Office of Public Information, holds press conferences, and publishes consumer brochures; staff responds to requests for information regarding consumer protection rights and remedies. Staff makes presentations at schools; community, business and civic group meetings; and frequently appear on television and radio news programs. The Office maintains a webpage containing consumer protection information, a record of the number of complaints received against merchants, and consumer alerts. Outreach efforts include initiatives to better address the needs of vulnerable consumers, underserved communities, and residents with limited English proficiency. The office also works with the Advisory Committee on Consumer Protection.

The OCP is responsible for licensing or registering automobile repair and towing businesses; new homebuilders; radio, television and electrical appliance repair shops; and secondhand personal property dealers.

Program Performance Measures	Actual FY08	Actual FY09	Estimated FY10	Target FY11	Target FY12
Restitution received as a percent of restitution asked for by the consumer <sup>1</sup>	NA	72%	72%	73%	75%
Average Office of Consumer Protection (OCP) customer satisfaction rating - Manner in which the customer's case was handled (1-4 scale)	NA	2.9	3.0	3.2	3.5
Average OCP customer satisfaction rating - Outcome of the customer's case (1-4 scale)	NA	2.6	2.8	2.9	3.0
Average time in workdays to investigate and close a written complaint: (<\$100)	NA	40	40	40	40
Average time in workdays to investigate and close a written complaint: (\$101 - \$1,000)	NA	53	53	53	53
Average time in workdays to investigate and close a written complaint: (\$1,001 - \$5,000)	NA	55	55	55	55
Average time in workdays to investigate and close a written complaint: (\$NA)	NA	41	41	41	41
Media Coverage - Percent of news releases receiving media coverage, including print news, television and radio	NA	60%	65%	70%	75%
Media Coverage - Number of times media outlets, including print news, television and radio, seek out OCP's expertise	NA	10	20	24	24
Percent of OCP-initiated consumer protection cases closed that are resolved by OCP	NA	73%	72%	73%	75%

<sup>1</sup> All Actual FY2009 statistics are based on data from 1/1/09 to 6/30/09

FY11 Recommended Changes	Expenditures	WYs
<b>FY10 Approved</b>	<b>2,198,350</b>	<b>16.6</b>
Increase Cost: Retirement Adjustment	37,480	0.0
Increase Cost: Annualization of FY10 Personnel Costs	11,530	0.0
Increase Cost: Group Insurance Adjustment	11,080	0.0

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	Expenditures	WYs
Increase Cost: Copiers and Fax Machines	6,360	0.0
Increase Cost: Promotion of Public Administration Intern to Investigator	5,510	0.0
Decrease Cost: Consumer Education Materials	-550	0.0
Decrease Cost: Dues and Memberships	-1,000	0.0
Decrease Cost: Travel Expenses	-1,540	0.0
Decrease Cost: Mailing Newsletters, Consumer Education Materials, and Annual Report	-1,950	0.0
Decrease Cost: Communication Services	-2,500	0.0
Decrease Cost: Printing Newsletters, Consumer Education Materials, and Annual Report	-2,910	0.0
Decrease Cost: Printing and Mail Adjustment	-3,520	0.0
Decrease Cost: Printing Services	-3,550	0.0
Decrease Cost: Lapse Principal Administrative Aide position	-11,210	-0.3
Decrease Cost: Turnover Savings for Vacant Principal Administrative Aide Position	-30,990	0.0
Decrease Cost: Furlough Days	-51,800	-0.5
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-334,910	-3.0
<b>FY11 CE Recommended</b>	<b>1,823,880</b>	<b>12.8</b>

### Commission on Common Ownership Communities

The OCP serves as staff to the Commission on Common Ownership Communities. This Commission serves as an alternative dispute resolution mechanism to mediate and arbitrate certain disputes between the governing bodies of homeowner associations, condominium associations, and cooperatives, and the individuals living within these common ownership communities. The Commission also provides education to governing bodies of common ownership communities and their residents and acts as an advocate for their interests.

Program Performance Measures	Actual FY08	Actual FY09	Estimated FY10	Target FY11	Target FY12
Percent of Commission on Common Ownership Communities (CCOC) cases resolved through mediation	NA	69%	69%	70%	70%

FY11 Recommended Changes	Expenditures	WYs
<b>FY10 Approved</b>	<b>243,660</b>	<b>1.9</b>
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	9,770	0.0
<b>FY11 CE Recommended</b>	<b>253,430</b>	<b>1.9</b>

# BUDGET SUMMARY

	Actual FY09	Budget FY10	Estimated FY10	Recommended FY11	% Chg Bud/Rec
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	1,785,800	1,597,670	1,594,860	1,252,370	-21.6%
Employee Benefits	706,487	682,650	647,530	593,830	-13.0%
<b>County General Fund Personnel Costs</b>	<b>2,492,287</b>	<b>2,280,320</b>	<b>2,242,390</b>	<b>1,846,200</b>	<b>-19.0%</b>
Operating Expenses	74,761	161,690	105,930	231,110	42.9%
Capital Outlay	0	0	0	0	—
<b>County General Fund Expenditures</b>	<b>2,567,048</b>	<b>2,442,010</b>	<b>2,348,320</b>	<b>2,077,310</b>	<b>-14.9%</b>
<b>PERSONNEL</b>					
Full-Time	21	19	19	16	-15.8%
Part-Time	1	0	0	0	—
Workyears	21.3	18.5	18.5	14.7	-20.5%
<b>REVENUES</b>					
Civil Citations	0	1,000	1,000	1,000	—
New Home Builder License	178,115	200,000	200,000	200,000	—
Consumer Affairs Business Licenses	67,155	69,200	69,200	69,200	—
<b>County General Fund Revenues</b>	<b>245,270</b>	<b>270,200</b>	<b>270,200</b>	<b>270,200</b>	<b>—</b>

## FY11 RECOMMENDED CHANGES

	Expenditures	WYs
<b>COUNTY GENERAL FUND</b>		
<b>FY10 ORIGINAL APPROPRIATION</b>	<b>2,442,010</b>	<b>18.5</b>
<b>Changes (with service impacts)</b>		
Reduce: Abolish Investigator III Position - redistribute law enforcement cases and duties among remaining investigators and manager	-135,930	-1.0
<b>Other Adjustments (with no service impacts)</b>		
Shift: Climate Change Advocacy and Assistance to the Office of Consumer Protection from the Climate Change NDA	50,000	0.0
Increase Cost: Professional Services contract to support investigative caseload of Manager III abolished in D2 and other administrative duties	38,500	0.0
Increase Cost: Retirement Adjustment [Consumer Protection]	37,480	0.0
Increase Cost: General Office/Computer Supplies/Miscellaneous Office expenses	17,000	0.0
Increase Cost: Annualization of FY10 Personnel Costs [Consumer Protection]	11,530	0.0
Increase Cost: Group Insurance Adjustment [Consumer Protection]	11,080	0.0
Increase Cost: Copiers and Fax Machines [Consumer Protection]	6,360	0.0
Increase Cost: Promotion of Public Administration Intern to Investigator [Consumer Protection]	5,510	0.0
Increase Cost: Operating Expenses	3,520	0.0
Decrease Cost: Consumer Education Materials [Consumer Protection]	-550	0.0
Decrease Cost: Dues and Memberships [Consumer Protection]	-1,000	0.0
Decrease Cost: Travel Expenses [Consumer Protection]	-1,540	0.0
Decrease Cost: Mailing Newsletters, Consumer Education Materials, and Annual Report [Consumer Protection]	-1,950	0.0
Decrease Cost: Communication Services [Consumer Protection]	-2,500	0.0
Decrease Cost: Printing Newsletters, Consumer Education Materials, and Annual Report [Consumer Protection]	-2,910	0.0
Decrease Cost: Printing and Mail Adjustment [Consumer Protection]	-3,520	0.0
Decrease Cost: Printing Services [Consumer Protection]	-3,550	0.0
Decrease Cost: General Office and Computer Supplies and Equipment	-7,930	0.0
Decrease Cost: Miscellaneous Office Expenses	-9,010	0.0
Decrease Cost: Lapse Principal Administrative Aide position [Consumer Protection]	-11,210	-0.3
Decrease Cost: Other Professional Services and Contracts	-11,500	0.0
Decrease Cost: Turnover Savings for Vacant Principal Administrative Aide Position [Consumer Protection]	-30,990	0.0
Decrease Cost: Furlough Days [Consumer Protection]	-51,800	-0.5
Decrease Cost: Abolish Program Specialist - reassign licensing program duties	-112,920	-1.0
Decrease Cost: Abolish Manager III - reassign supervision of investigators and caseload to senior investigator and professional services contract	-156,870	-1.0
<b>FY11 RECOMMENDED:</b>	<b>2,077,310</b>	<b>14.7</b>

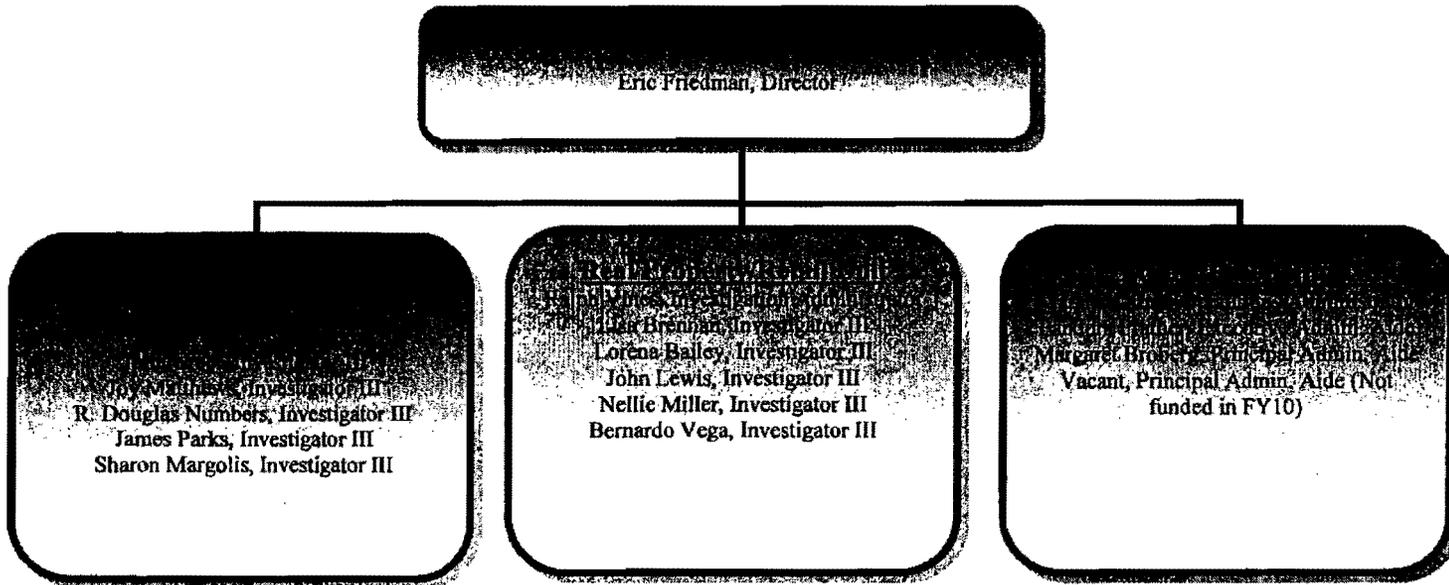
## PROGRAM SUMMARY

Program Name	FY10 Approved		FY11 Recommended	
	Expenditures	WYs	Expenditures	WYs
Consumer Protection	2,198,350	16.6	1,823,880	12.8
Commission on Common Ownership Communities	243,660	1.9	253,430	1.9
<b>Total</b>	<b>2,442,010</b>	<b>18.5</b>	<b>2,077,310</b>	<b>14.7</b>

## FUTURE FISCAL IMPACTS

Title	(5000's)					
	CE REC. FY11	FY12	FY13	FY14	FY15	FY16
This table is intended to present significant future fiscal impacts of the department's programs.						
<b>COUNTY GENERAL FUND</b>						
<b>Expenditures</b>						
<b>FY11 Recommended</b> No inflation or compensation change is included in outyear projections.	<b>2,077</b>	<b>2,077</b>	<b>2,077</b>	<b>2,077</b>	<b>2,077</b>	<b>2,077</b>
<b>Restore Personnel Costs</b> This represents restoration of funding to remove FY11 furloughs.	<b>0</b>	<b>52</b>	<b>52</b>	<b>52</b>	<b>52</b>	<b>52</b>
<b>Subtotal Expenditures</b>	<b>2,077</b>	<b>2,129</b>	<b>2,129</b>	<b>2,129</b>	<b>2,129</b>	<b>2,129</b>

**OFFICE OF CONSUMER PROTECTION**



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FY10	Core Programs		Non-Core Programs		Other Programs (Licensing, Energy, Domestic Workers, Est. Prop Tax)	Lapse	Total Wys
	Investigation/ Reconciliation	Law Enforcement	Consumer Education	CCOC			
Wys	5.9	3.6	4.8	1.9	1.3	.05	17.5

**DOUGLAS F. GANSLER**  
*Attorney General*



**WILLIAM D. GRUHN**  
*Chief*  
Consumer Protection Division

**KATHERINE WINFREE**  
*Chief Deputy Attorney General*

**JOHN B. HOWARD, JR.**  
*Deputy Attorney General*

**STATE OF MARYLAND**  
**OFFICE OF THE ATTORNEY GENERAL**  
**CONSUMER PROTECTION DIVISION**

WRITER'S DIRECT DIAL NO.

(410) 576-6557

April 29, 2010

Eric S. Friedman, Director  
Montgomery County  
Office of Consumer Protection  
100 Maryland Avenue, Room 330  
Rockville, Maryland 20850-2367

Dear Mr. Friedman:

I am writing in response to your inquiry about the ability of the Consumer Protection Division of the Office of the Attorney General to provide the services that are currently provided by your Office.

In the past, we have been able to work together to help the citizens of Montgomery County by combating unfair and deceptive trade practices. For example, one of your bilingual investigators provided important assistance to this Office's investigation of a case against Financial Freedom International by assisting us in interviewing Spanish-speaking Montgomery County residents who were victimized by the company. In addition to cooperating in combating illegal practices, through coordinated efforts in Annapolis over the years, we have been able to obtain legislative fixes for problems facing consumers.

The Consumer Protection Division is happy to serve all of the citizens of Maryland, including the citizens of Montgomery County. However, the services that this Office is able to provide in addressing individual consumer complaints differ from those that your Office has traditionally provided. This Office mediates complaints using a cadre of volunteers. The volunteers, under the supervision of a Mediation Unit Supervisor, through correspondence and phone conversations, seek to resolve complaints in a manner that is acceptable to both the consumer and the business. Unlike the complaint handling services provided by your Office, this Office does not conduct face-to-face mediation. We do not have an A.S.E. certified automobile mechanic on staff to address automobile complaints. We do not mediate internal condominium or homeowner association disputes that do not involve potential violations of the Condominium

(11)

200 Saint Paul Place ❖ Baltimore, Maryland 21202-2021

Main Office (410) 576-6300 ❖ Main Office Toll Free (888) 743-0023

Consumer Complaints and Inquiries (410) 528-8662 ❖ Health Advocacy Unit/Billing Complaints (410) 528-1840

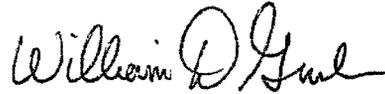
Health Advocacy Unit Toll Free (877) 261-8807 ❖ Homebuilders Division Toll Free (877) 259-4525 ❖ Telephone for Deaf (410) 576-6372

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Act or the Homeowners Association Act. We cannot visit a consumer's home to examine work performed by a home improvement contractor or look at a consumer's vehicle in connection with an automobile repair dispute. Thus, although we mediate complaints from Montgomery County consumers, we are unable to provide the same services in handling individual complaints that Montgomery County consumers have experienced in dealings with your Office.

I hope that we will be able to continue to work together in the future to assist the citizens of Montgomery County.

Very truly yours,



William D. Gruhn  
Chief, Consumer Protection Division

WDG:

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