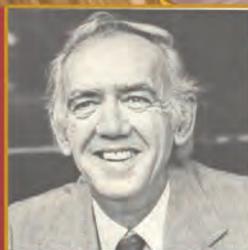
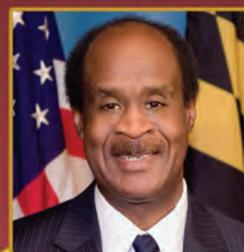
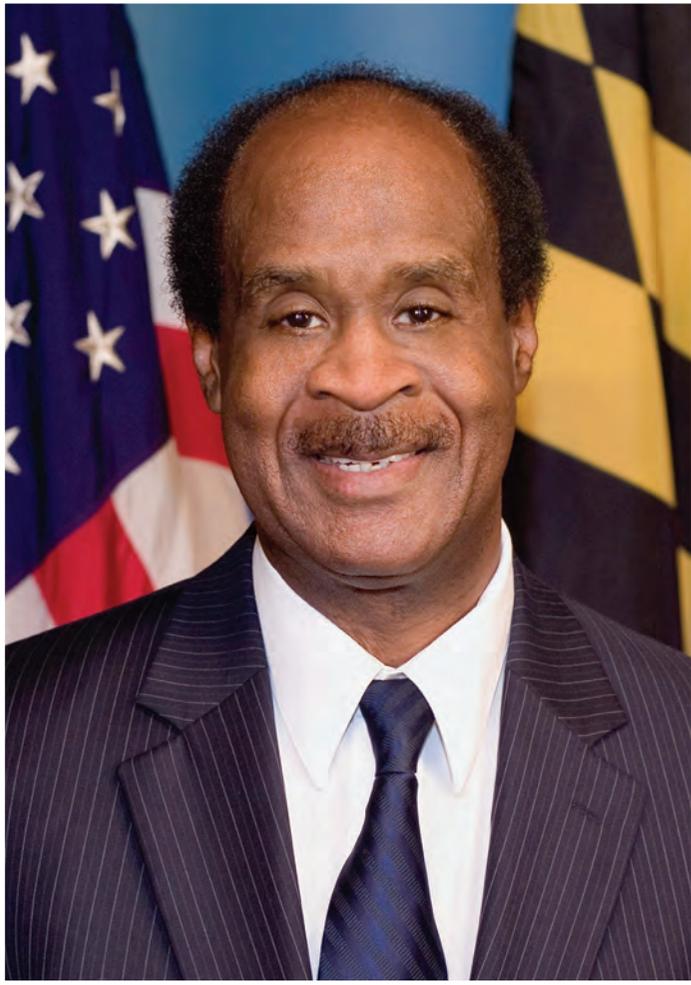


**40 Years**  
of Consumer Protection

Montgomery County, Maryland  
**Office of Consumer Protection**  
Annual Report  
FY 2011



Ensuring Integrity  
in our Marketplace



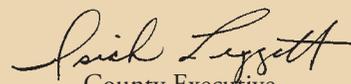
**F**orty years ago, Mrs. Idamae Garrott, president of the newly formed Montgomery County Council, called for the enactment of consumer protection legislation to “eliminate consumer fraud and deceptive and unfair trade practices.” She urged Montgomery County to establish an “activist office” to “protect the health, welfare, and safety of the general public and honest business enterprises.” In 1971, Montgomery County’s consumer protection office was created and signed into law by County Executive James Gleason.

Forty years later, the President of the United States called for the enactment of consumer protection legislation to create a new federal agency to address financial consumer protection issues. In 2011, the federal Consumer Financial Protection Bureau was created and signed into law by President Barack Obama.

The advent of electronic commerce and communication has radically changed the nature of our marketplace and the challenges consumers and businesses face today. However, foreclosure crises and credit card abuses remain on the front pages of the news. We are fortunate that our elected officials had the foresight to establish, and the fortitude to maintain, a local consumer protection office capable of educating and protecting consumers and merchants in a rapidly changing marketplace replete with sophisticated pitfalls.

My administration is dedicated to providing responsive and accountable government services which contribute to a strong and vibrant economy and vital living for all residents. The Office of Consumer Protection’s dedicated staff and volunteers continue to work hard, despite limited resources, to enhance the quality of life in Montgomery County. As we celebrate 40 years of consumer protection in Montgomery County, I look forward to addressing the challenges together in the coming years.

Ike Leggett

  
County Executive



This Fiscal Year 2010/2011 Annual Report celebrates the 40th anniversary of the consumer protection office in Montgomery County, Maryland.

In 1971, Montgomery County established a consumer protection office as one of the first goals and priorities of the newly created County Executive and County Council. Chapter 11 of the Montgomery County Code created the “Office of Consumer Affairs” to eliminate consumer fraud and unfair and deceptive practices. Barbara B. Gregg was selected as the first executive director.

In 1996 the Office of Consumer Affairs became a division within the Department of Housing and Community Affairs. Elizabeth Davison was the director of DHCA. Joe Giloley initially served as acting chief, and in 1997 George Rose became chief of the Division of Consumer Affairs. Beginning in 2004, Evan Johnson, Ralph Vines, and Eric Friedman rotated in the position of acting chief of the Division of Consumer Affairs.

In 2005, 34 years after its creation, Montgomery County’s consumer protection law was revised to reflect changes in the marketplace. In 2006, Council President Tom Perez initiated action to restore the consumer protection office as a separate County department rather than a division within a housing department. To reflect the nature of these changes, the office was renamed the “Office of Consumer Protection.” In 2007, Eric Friedman was confirmed as the director of the Office of Consumer Protection.

Today, celebrating our 40th year of public service, the core mission of the Office of Consumer Protection (OCP) remains true to the same underlying values and focus as when it was originally established. OCP joins the Police Department, Fire and Rescue Service, Sheriff’s Office, and State’s Attorney’s Office in the public safety cluster of County agencies in safeguarding and educating consumers and businesses. OCP administers and enforces 11 County laws, and several new roles have recently been undertaken which enhance OCP’s duties and responsibilities in today’s marketplace.

## Mission Statement:

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

While our core mission is investigating and resolving consumer complaints, OCP is also responsible for the following additional programs:

- Commission on Common Ownership Communities
- Energy and Environmental Advocacy
- Domestic Workers Contracts
- New Home Sales Contracts
- Estimated Property Tax Disclosures
- Business Licensing (Auto Repair, Towing, New Home Builders, Appliance Repair, Pawn Shops)



Ensuring Integrity  
in our Marketplace

OCP designed and registered its first logo and tagline to capture the “here-to-help” philosophy which underlies the core mission of the office. The handshake reflects the value of **trust** as the underpinning of every consumer transaction, and the tagline underscores the importance of **fairness** in the marketplace for consumers and merchants.

# Forty Years of Consumer Protection

## What We Do

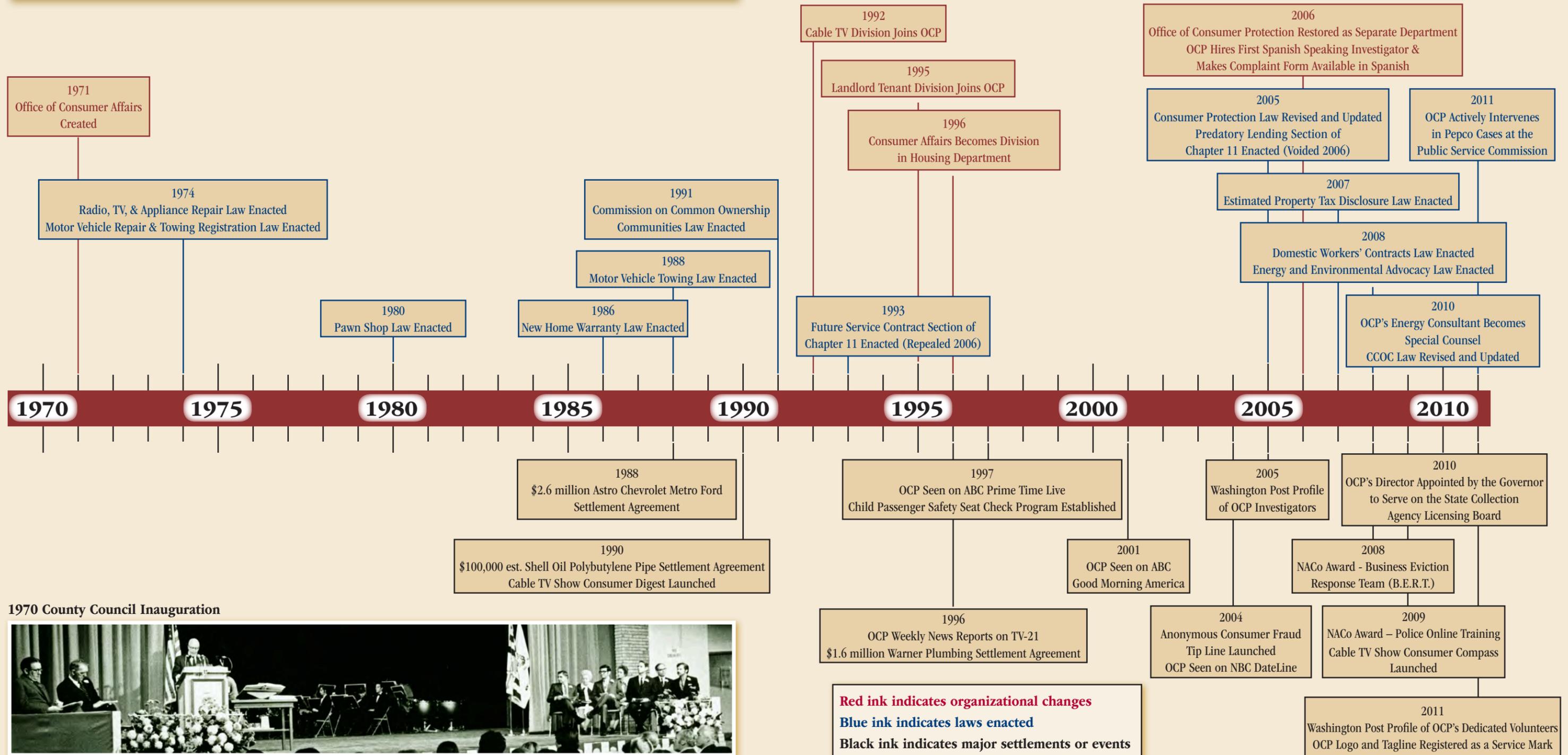
OCP investigates and resolves thousands of written complaints each year involving automotive sales and repairs, new-home

construction, home improvements, credit and financial issues, retail sales, advertising, internet services, and many other consumer transactions. We enforce several consumer protection

laws, and have the authority to execute settlement agreements, issue civil citations and subpoenas, conduct administrative hearings, and initiate legal action through the County Attorney.



Congressman Van Hollen's Consumer Protection Forum



1970 County Council Inauguration



## Law Enforcement – Prohibiting Deceptive Acts & Practices

OCP initiates legal action in order to ensure integrity in our marketplace. OCP has the authority to enter into settlement agreements, compel the attendance of witnesses and the production of documents, conduct administrative hearings, issue civil citations, and file legal action in court through the County Attorney's Office when a merchant is in violation of the Consumer Protection Act or any of the other laws administered by OCP. The following legal actions were taken in FY 2010/2011:

### Gas Appliance Installations & Inspections –

OCP filed a lawsuit in Circuit Court charging that a plumbing firm collected \$90 to \$150 from consumers for permit fees, but then failed to obtain the permits and inspections when installing gas water heaters. In addition to the financial harm, this case involved potential safety issues related to the installation of gas appliances.

As a direct result of this legal action, OCP and the Washington Suburban Sanitary Commission (WSSC) conducted a joint investigation into compliance with

permitting and inspection requirements for all gas appliances that were installed in Montgomery County by a sample of other appliance retail stores. The investigation revealed that two thirds of the gas water heaters sold during the tested time periods in 2010 and 2011 in Montgomery County by four of the large, "big box" type stores had not been properly inspected following installation, posing a potential safety hazard and depriving customers of services for which they had paid, but never received.

This report received extensive media coverage and served as the basis for WSSC to review its permitting and inspection procedures, as well as its consumer education outreach campaigns.

### Air Duct Cleaning – Settlement Agreement

OCP assisted a local TV news station in conducting a hidden camera investigative report and entered into a settlement agreement with a local duct cleaning company that engaged in deceptive and misleading advertising and service procedures.

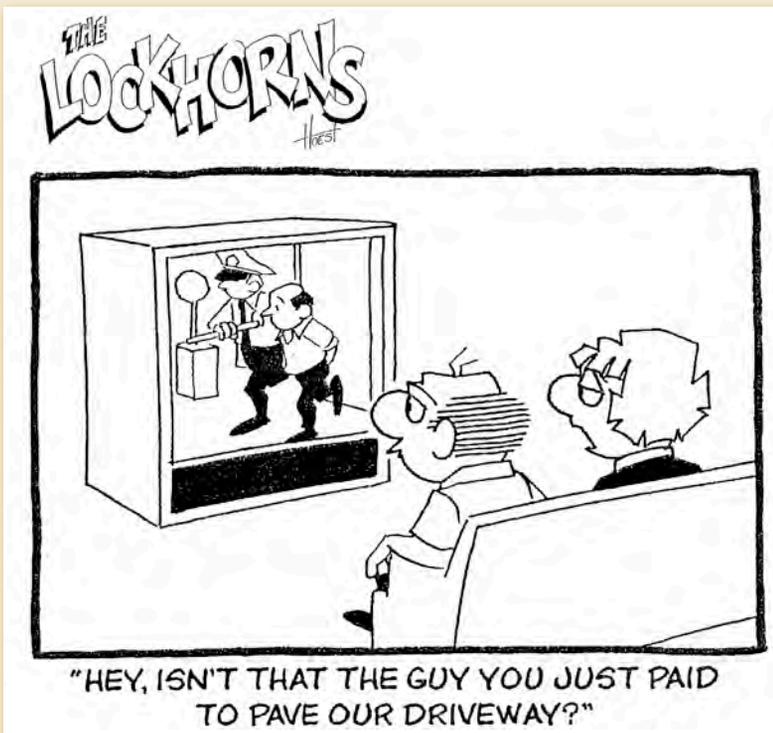
Refunds were provided to consumers, and the merchant agreed to change business practices. OCP also notified or reached agreements with seven other duct cleaning firms and two direct mail advertising firms regarding deceptive practices in the air duct cleaning industry.

OCP's action regarding merchants in this industry was based, in part, upon a report issued by the federal Environmental Protection Agency (EPA), which found that duct cleaning has never been shown to actually prevent health problems. In addition, OCP identified a sales tax violation which was reported to the Maryland Comptroller's Office.

### Legal Action Against Used Car Dealer

OCP collaborated with the state Motor Vehicle Administration (MVA) to take legal action against a used car dealer after both agencies received numerous complaints from consumers who purchased used vehicles but did not receive good titles or registrations to the vehicles within the timeframe required by law. Consumers who purchased and paid for these used cars were unable to register the vehicles in Maryland because the seller failed to transfer the vehicle titles to the consumers. In one case, the used car dealer sold the same vehicle to two different consumers.

In addition to the eight cases investigated by OCP and MVA, consumers with similar problems were urged to contact OCP. The dealership subsequently went out of business.



# Complaint Resolution

## Home Improvement Nightmare

A Silver Spring consumer expecting the birth of a baby hired and paid a contractor \$24,000 to renovate a kitchen and bathroom. The contractor initiated the project, but then began making excuses and breaking promises regarding completion of the job. Subsequent inspections by reputable contractors revealed that the repairs initiated by the original contractor would have to be demolished in order to properly complete the job. OCP's investigator documented that the contractor was not licensed, and criminal charges were filed against the contractor for felony theft, abandonment, and operating without a license. OCP's investigator worked with the State's Attorney's Office in prosecuting the case. The defendant contractor was found guilty and ordered to pay restitution by the Circuit Court.

## Cheaper Electricity?

A third-party seller of electricity engaged in door-to-door sales practices offering residents "guarantees" of lower utility rates in order to convince consumers to switch electricity providers and sign up for a one- or two-year electricity plan. A consumer filed a complaint after learning that the "guaranteed savings" were not as represented by the salesperson. The consumer also complained about being forced to pay an \$820 early termination fee

when he attempted to cancel the electricity plan. OCP determined that the sales literature used by the third-party seller contained misrepresentations regarding the "savings" and that the sales person was not licensed as a door-to-door vendor. OCP met with the seller's attorneys and obtained the seller's agreement to change its advertising literature, modify the "fine-print" contained in its agreements, and ensure that all sales people are properly licensed.

## Vehicle Never Delivered

A consumer gave a \$4,000 cash deposit to an auto dealer for a used car. The dealer never delivered the vehicle to the consumer, and when the consumer asked for a refund, the dealer provided him with a bad check. Investigation revealed that the dealer was licensed as a Wholesale Dealer, but was prohibited from selling cars to the public. OCP contacted a detective from the Montgomery County Police Department's Auto Theft Unit, who agreed to work with OCP on the case. OCP's investigator and the police detective visited the address for the dealer, which turned out to be a shipping container and shack on a dirt lot in Gaithersburg. The dealer was contacted by phone, and agreed to meet with them the following week at that location. The consumer received a full cash refund of his \$4000, and the dealer agreed to no longer sell cars to the public in Montgomery County.



## Phantom Video Collection

Numerous consumers filed complaints with regard to notices they received from a collection agency alleging outstanding debts from a video business that had closed its doors years ago. In most cases the collection letters misrepresented to the consumers that they had not returned a rented video and, therefore, they were being charged the cost of the video and additional fees amounting to more than \$100. OCP contacted the out-of-state collection agency and requested that it verify the debts. The collection agency was unable to do so. As a result, the debt collection agency closed and ceased collections on all of the consumers' accounts. OCP also took action to ensure that the collection agency removed any negative credit information that had falsely been reported to the credit reporting bureaus.

## Holding Goods Hostage

A Montgomery County employee was moving to Rockville and obtained an estimate for the cost of the move. However, when the moving company arrived at the consumer's new home, it refused to unload the truck unless the consumer paid an amount four (4) times higher than the estimate. With the consumer's household goods being held hostage, the consumer reluctantly paid the exorbitant fee and filed a complaint with OCP and in Small Claims Court. The mover filed a counter-claim in Small Claims Court against the consumer. OCP's investigator determined that there were violations of both state and county laws. OCP's investigator successfully negotiated a settlement to resolve both pending Small Claims Court cases, and obtained a refund of \$1,275 for the consumer.

# Working with the County Council



Montgomery County Council: *Left to right (standing) Hans Riemer, Craig Rice, Marc Elrich, Nancy Navarro, Phil Andrews, (seated): Roger Berliner, Valerie Ervin, Nancy Floreen, and George Leventhal.*

## County Council

### • New Duties

OCP provides a remarkable ability to accept and successfully perform new administrative responsibilities in response to a variety of legislative initiatives enacted by the County Council. OCP is recognized and frequently serves as the “can-do” agency to which the County Council assigns new laws. For example: Estimated Property Tax Disclosures (Bill #24-07), Domestic Workers’ Contracts (Bill #2-08), and Energy & Environmental Advocacy (Bill # 35-07).

### • Constituent Services

OCP provides prompt and efficient services related to a myriad of consumer protection issues to constituents referred to OCP by all County Council members. OCP staff provides a “don’t-fall-through-the-cracks” approach in responding to Council members’ constituents in a helpful and non-bureaucratic manner. In addition, OCP coordinates public forums with Council members to educate and inform residents.

### • County Council Public Forums

In FY2011, OCP collaborated with then County Council President Valerie Ervin and Councilmember Phil Andrews in hosting public educational forums to examine financial issues facing seniors.



**Council Member Valerie Ervin**

Two well-attended events were held in the Council members’ respective districts, bringing together experts from Maryland’s Long-Term Care Ombudsman Program, the Montgomery County State’s Attorney’s Office, attorneys in the field, and OCP.

In promoting the event, Council President Ervin stated, “Over this last year, our Office of Consumer Protection has seen a dramatic increase in complaints involving issues that adversely affect the lives of county seniors. We look forward to having an opportunity to discuss consumer protection issues with our residents to identify additional ways we can assist our seniors. The Office of Consumer Protection provides a tremendous service for our residents, and I am happy to support their work.”



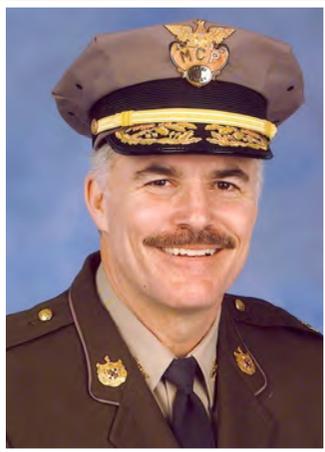
**Council Member Phil Andrews**

Councilmember Phil Andrews echoed Council President Ervin’s concern over issues affecting one of our most vulnerable groups when he said that, “Many seniors have to deal with a variety of complex financial issues relating to retirement and long-term care. In addition, seniors are often targeted by scam artists. The county’s Office of Consumer Protection is an outstanding resource for seniors for information about these issues...”

OCP will continue its dedication to educating county residents and business members to ensure integrity in our marketplace.

# Collaboration with Public Safety Agencies

## Police



**Police Chief  
Tom Manger**

- **Financial Crime Section**  
OCP conducts field investigations and online research, interviews consumer victims, and interacts with police detectives in taking enforcement action against unlicensed home improvement contractors, sellers of counterfeit (“grey-market”) merchandise, illegal auto sellers (“curbstoners”), and other merchants engaged in theft-by-deception transactions.
- **Towing**  
OCP provides information and interacts with police sergeants and officers regarding enforcement issues related to trespass (impound) towing and police-requested towing. OCP maintains registration files and background information regarding towing firms.

## State’s Attorney



**State’s Attorney  
John McCarthy**

- **Financial Crimes**  
OCP collaborates with the newly established “Senior Financial Exploitation Prevention Initiative” within the State’s Attorney’s Office to investigate financial exploitation of seniors and identify cases which appear appropriate for criminal prosecution. OCP staff work with the State’s Attorney to prosecute unlicensed home improvement contractors and other merchants engaged in theft.
- **Consumer Education and Outreach**  
OCP’s director and staff participate in public forums with the State’s Attorney and staff to provide alerts and information in an effort to help Montgomery County residents avoid financial crimes and scams.

## Fire and Rescue Service



**Fire Chief  
Richard Bowers**

- **Safety Issues**  
OCP Staff collaborates with Montgomery County’s Fire and Rescue Service regarding the installation of gas appliances that may not have been properly inspected. OCP investigators work with Fire and Rescue Service staff to prevent the sale of electrical appliances that have not been properly certified for sale.

## Sheriff



**Sheriff Darren Popkin**

- **Business Evictions**  
OCP and the Sheriff’s Office have developed a Business Eviction Response Team (BERT) in an effort to protect consumer goods that are held by merchants at the time of an eviction. This program is a coordinated effort to safeguard and return consumers’ possessions which would otherwise be lost or stolen as the unintended consequence of a court-ordered eviction of a merchant’s store. This collaboration consists of a five-step process that frequently enables OCP to safeguard and return valuable goods to consumers. This program received a NACo award. It has successfully been used with regard to financial documents held by a mortgage company, photographs held by a photo studio, vehicles held by an auto repair shop, and frequently used with regard to clothing and uniforms held by dry cleaners.

# Collaboration with Other Agencies

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## Department of Permitting Services (DPS)

- **Licensing and Permitting**  
OCP and DPS collaborate to maintain an online licensing database that enables residents to efficiently determine if a firm is licensed to build new homes in Montgomery County. In addition, OCP and DPS coordinate efforts to ensure that construction permits are only issued to licensed new home builders and home improvement contractors.

## Department of Housing and Community Affairs (DHCA)

- **Arbitration for Rehab Loan Construction Disputes**  
DHCA provides low-interest rehabilitation loans to homeowners in need of money for repairs to their homes. These rehab loan contracts specifically provide that OCP shall serve as the arbitrator to resolve any construction disputes between the homeowners and the contractors.

## Department of Technology Services (DTS)

- **Cable TV & Internet Service Complaints**  
OCP staff collaborated with the DTS Office of Cable and Broadband Services to investigate and resolve a long-standing issue and multiple complaints regarding a cable TV franchisee improperly charging additional fees for in-home service calls.

## Office of the County Attorney (OCA)

- **Lawsuits, Civil Citations, and Special Counsel**  
OCP staff issue civil citations and develop cases for lawsuits against merchants for violating Montgomery County's consumer protection laws. OCP investigates these cases and is represented in court by the Office of the County Attorney. OCP researches and provides draft revisions to the Office of the County Attorney regarding County statutes related to consumer protection. In addition, OCP's energy consultant now also serves as special counsel with the Office of the County Attorney to represent Montgomery County in cases before the Maryland Public Service Commission.

## Department of Environmental Protection (DEP)

- **Home Energy Performance Audits**  
OCP enforces the utility cost disclosure requirements which sellers have when selling homes. These requirements are in conjunction with the disclosure of energy information provided by DEP. Sellers of single-family homes and condominiums which are individually metered for electricity and/or natural gas are required to disclose certain usage and cost information when selling their homes. OCP provides information to assist sellers in complying with these requirements and is responsible for monitoring compliance.

## State/Federal/Other Agency Referrals

OCP routinely refers cases to other state and federal law enforcement agencies after conducting investigations. OCP often makes referrals to and collaborates with the following agencies:

- **Maryland Attorney General's Office**
- **Maryland Department of Labor Licensing and Regulation (DLR)**
- **Federal Bureau of Investigation (FBI)**
- **U.S. Postal Inspector**
- **Montgomery County Department of Health and Human Services**
- **Montgomery County Public Schools**
- **Montgomery County Office of Human Rights**
- **Montgomery County Community Engagement Cluster**
- **Federal Trade Commission (FTC)**
- **Consumer Financial Protection Bureau (CFPB)**
- **Maryland Circuit Court**
- **Maryland Public Service Commission**
- **Maryland Office of the People's Counsel**
- **Maryland Comptroller**

# Energy & Environmental Advocacy



*Left to right (standing): County Executive Ike Leggett, Congressman Chris Van Hollen, and Council President Roger Berliner .*

**I**n Fiscal Year 2010/2011, OCP's duties regarding energy and environmental advocacy, initially established through Council member Roger Berliner's efforts, increased dramatically.

OCP's energy consultant was appointed by the county executive and confirmed by the County Council as a special counsel to represent Montgomery County before the Maryland Public Service Commission (PSC). OCP served as staff to a blue-ribbon panel work group created by the county executive to investigate Pepco's performance and reliability. Montgomery County intervened in several major cases regarding Pepco's electrical service:

**PSC Case #9240:** In response to complaints from Montgomery County and others, the PSC initiated an investigation into Pepco's reliability. Montgomery County intervened, submitted a comprehensive report, and staff testified during the hearing. Montgomery County's Special Counsel Stanley W. Balis was also able to cross-examine Pepco's witnesses. The PSC imposed a \$1 million fine, held that Pepco's performance was "imprudent," and asserted that rate payers should not bear all of the cost to improve Pepco's service.

**PSC Rule Making #43:** OCP Investigator Lisa Brennan represented Montgomery County in a work group formed to create reliability standards for all electric utility companies in Maryland. This work group of stakeholders met over a six-month period to develop reliability standards regarding all aspects of electric service distribution from tree cutting to customer service. A final rule is pending.

**PSC Case #9217 Phase II:** Montgomery County intervened in a rate-setting case related to the cost of street lights in Montgomery County. Montgomery County's special counsel worked with technical experts from Montgomery County's Department of Transportation to establish more equitable maintenance fees in an effort to reduce Montgomery County's payments to Pepco.

**PSC Case #s 9207-9208:** OCP filed comments for Montgomery County supporting the deployment of Advanced Meter Infrastructure ("Smart Grid") technology in Maryland. OCP Investigator Lisa Brennan has represented OCP on the PSC's Smart Grid Implementation Work Group which developed, among other things, customer education and communication plans for smart meters that are currently being deployed in Montgomery County.

**PSC Case #s 9153-9155:** The EmPOWER Maryland Energy Act is designed to establish energy and demand reduction goals of 15 percent in Maryland by 2015. OCP has commented on several issues in the EmPOWER cases, including submitting comments for the 2012-2014 planning cycle with the Department of Environmental Protection on improved marketing, education and awareness of programs, financing programs, and multifamily program accessibility.



## Education and Community Outreach

OCP's ability to educate consumers and effect change in the marketplace is greatly enhanced by the extent to which we can communicate with consumers through the media. OCP seeks to inform residents about what we are doing and effectively warn consumers about current scams.

### Forum with Congressman Chris Van Hollen

In May 2011 OCP co-hosted a public forum regarding financial issues in today's marketplace in which a standing-room-only crowd at the Silver Spring Civic Center heard from and interacted with Congressman Chris Van Hollen, Assistant to the President Elizabeth Warren, Montgomery County State's Attorney John McCarthy, and representatives of the Federal Trade Commission.

Representatives from more than 30 federal, state, and county agencies participated in the forum and delivered valuable information regarding identity theft, mail fraud, lottery and sweepstakes scams, investment scams, foreclosure prevention, home improvement scams, Medicare fraud, long-term care issues, and benefit services for veterans and social security recipients.

### "Consumer Compass" Cable TV Show



In FY 2010 and FY 2011, OCP staff continued working with the County Council to produce our cable TV show called *Consumer Compass*. This show is designed to showcase consumer-related issues. Episodes of this quarterly show have featured information about trespass towing, household moving companies, landscaping firms, firewood sales, identity theft, auto maintenance, consumer alerts, and various OCP outreach activities. This show provides another opportunity for our staff to communicate valuable information to help consumers avoid problems.

### Local Events

Beginning in FY 2010, in addition to many other educational events, OCP coordinated outreach campaigns at four major retail centers, enabling us to reach hundreds of consumers and many merchants. OCP's committed staff conducted these events on weekends throughout the county in order to reach the most consumers and maximize our visibility.

During FY 2011, OCP initiated a new campaign focused on addressing the needs of one of our most vulnerable populations, the senior community. OCP worked with our Advisory Board on Consumer Protection to develop a series of financial forums intended to tackle issues affecting seniors. The forum venues were strategically selected to reach as many people as possible from our senior community. OCP partnered with state and other County agencies, as well as legal advisors, health providers, senior residential facility managers, and elected officials to assemble resources, expert speakers and educational material that addressed senior-related issues, including long-term care needs, financial abuse, health care issues, and investment scams.

### E-subscribe, YouTube, and Twitter

Over the past two years, OCP has expanded its distribution of consumer information through the county's electronic service, E-subscribe, which is geared to quickly communicate with a large subscriber base. OCP also utilizes popular social networks such as Twitter and YouTube to disseminate alerts, news, and educational videos. Montgomery County Office of Consumer Protection can be found at <http://twitter.com/consumerwise> and <http://www.youtube.com/consumerwise>.

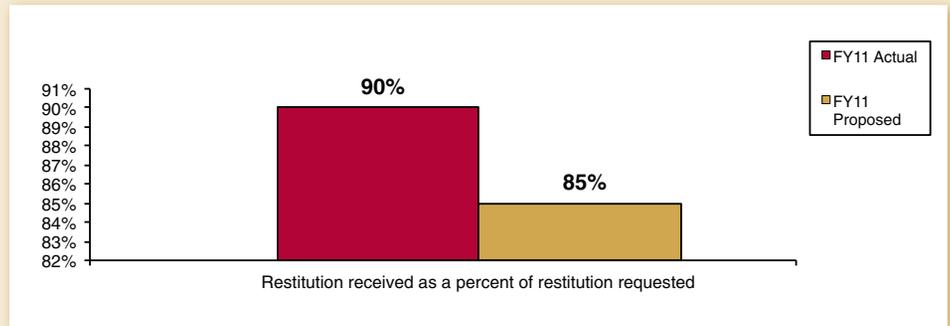


# CountyStat Performance Measures

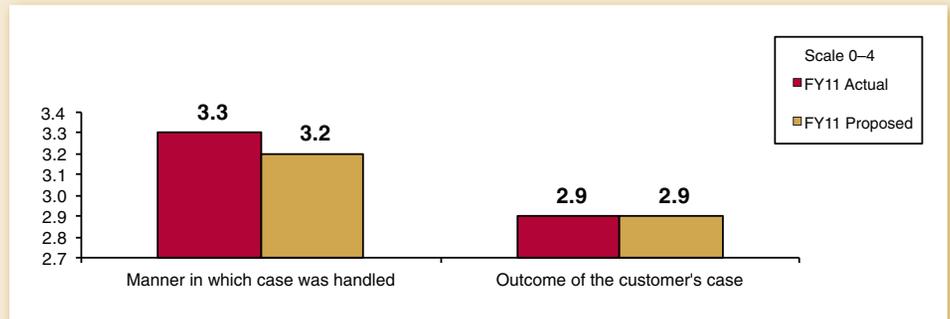
CountyStat, a component of Montgomery County's results-based accountability system initiated by County Executive Isiah Leggett and Chief Administrator Tim Firestine, is useful in managing toward results. OCP is committed to being "a responsible and accountable county government" office.

In FY 2010 and FY 2011, OCP achieved an improvement over the majority of its performance measures. Most notably, OCP's customer satisfaction level, measured by the customer's satisfaction with the manner in which the case was handled and with the outcome of the case, increased by over 24 percent in both categories.

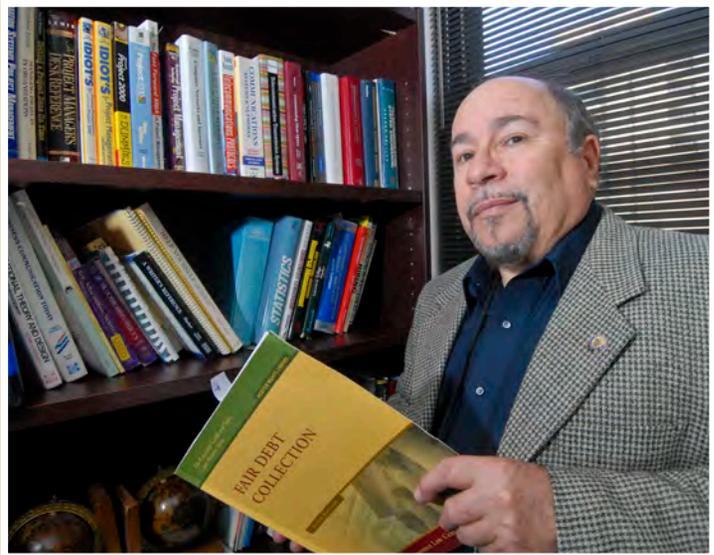
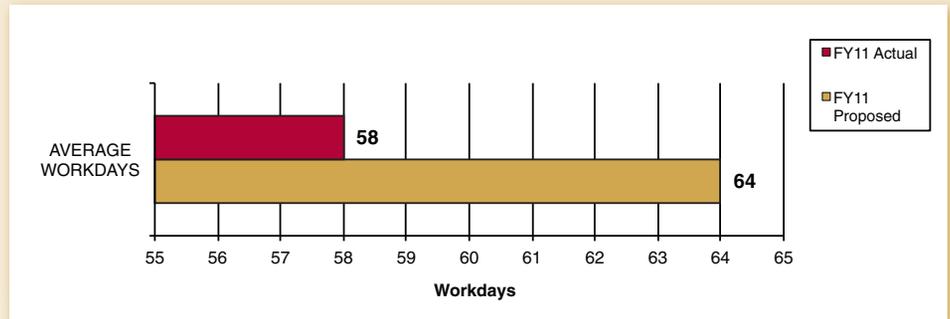
## Percentage of Adjusted Restitution Obtained by OCP



## Customer Satisfaction Ratings



## Average Time to Close a Consumer Complaint



## Commission on Common Ownership Communities

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Over one third of Montgomery County residents now live in communities governed by homeowner associations or condominium associations. The Commission on Common Ownership Communities (CCOC) operates as an alternative dispute resolution mechanism designed to hear and resolve disputes between homeowner and condominium associations and their owners and residents. The Commission has been in operation since 1991 and served as a model for other similar agencies that have recently been established in Prince George's and Charles counties. OCP serves as staff to the Commission and responds to all inquiries and filed disputes. The Commission's expenses are funded entirely from the annual registration fees all associations must pay, which are currently \$3 per unit or home.

The 15 volunteer commissioners are appointed by the county executive and confirmed by the County Council; volunteer local attorneys chair the hearing panels and write the decisions. In FY 2011, 21 new common ownership communities registered with the Commission, bringing the total of registered common ownership communities to 1005. These communities comprise a total of 126,042 residential units, housing over 400,000 county residents.

In FY 2011, the CCOC received 61 written complaints from homeowners and community associations, and responded to 800 requests for advice and information. With the assistance of



the Conflict Resolution Center of Montgomery County (CRCMC), 30 mediation sessions were conducted. The Commission held 13 public dispute resolution hearings and issued 15 final orders.

The Commission expanded its website by adding a major new section on "Frequently Asked Questions" about the Commission and relevant laws. The County Council's amendments to Chapter 10B took effect in July, 2010, and the new Code was added to the website, along with a revised Complaint Form that incorporates those amendments. The Commission is now working on updating its online *Manual & Resource Guide* and other materials to assist association members and their boards of directors. The Commission also published four newsletters on important topics of interest to common ownership communities.

## Advisory Committee on Consumer Protection

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OCP receives guidance and assistance from the Advisory Committee on Consumer Protection. The Advisory Committee, which meets monthly, consists of nine volunteer members reflecting a cross-section of consumer and business interests. The members are appointed by the county executive and confirmed by the County Council.

In FY 2010/2011 the Advisory Committee organized a public forum titled "Financial Issues Affecting Seniors." Topics included long-term care needs, financial abuse, health care issues, and investment scams.

The Advisory Committee recently issued a report and recommendations regarding the installation and inspection of gas appliances. This report followed a joint investigation by OCP and the

Washington Suburban Sanitary Commission (WSSC) which found that a majority of gas appliances installed in Montgomery County during a test period had not been properly inspected following installation.

The Advisory Committee issued a press release to solicit comments from all stakeholders regarding the installation and inspection of gas appliances in Montgomery County. After reviewing comments from consumers, retailers, Fire and Rescue Services, and WSSC, the advisory committee made several recommendations to improve the process. This report and recommendations were provided to WSSC and assisted in enhancing the procedures in Montgomery and Prince George's counties.

## Business Licensing Unit

OCP continues its support of local businesses through our Licensing Unit. OCP is responsible for licensing new home builders, auto repair shops, auto towing businesses, appliance repair firms, and secondhand personal property dealers. Throughout FY 2010 and FY 2011, OCP continued to ensure that local business owners had the resources available to comply with local laws. In FY 2010, OCP redesigned its website to provide important information to merchants. OCP is also saving resources by moving toward a paperless environment. During FY 2011, OCP reported the following active licenses:

<b>Building Contractor's Licenses</b> .....	<b>393</b>
<b>Motor Vehicle Repair Licenses</b> .....	<b>793</b>
<b>Auto Towing Licenses</b> .....	<b>118</b>
<b>Radio/TV &amp; Small Appliance Licenses</b> .....	<b>150</b>
<b>Secondhand Personal Property Licenses</b> .....	<b>140</b>



## Builder's Board of Registration

OCP licenses new-home builders in Montgomery County. New and renewal applications for new-home builders are reviewed by the Builders' Board of Registration. The Board consists of five members appointed by the county executive and confirmed by the County Council. Two of the five members are required to be active in residential construction. All members are volunteers who do not receive compensation for serving. The primary duty of the Board is to certify to the OCP director whether or not an applicant is qualified to comply with the building codes. In addition, the Board, after giving the builder an opportunity for a hearing, may deny, suspend, refuse to renew, or revoke the license of a builder.



# Consumer protection

Agency looks out for the little guy

**The Washington Post**  
Consumers in Montgomery County have team of determined volunteers on their side

**GETTING WISE** Consumer-protection watchdogs have started to track fraud  
MARYLAND OFFICIALS FRIEDMAN AND TORRICO

Finance

**Consumer agency cracks down on bankrupt Montgomery firms**

*County fears customers may be left holding bag*

Customers who divulge some of their most private information to counseling agencies may be surprised who gets access to it

**Bursting pipes prompt investigation by county**

Montgomery Communities

**Consumer Protection Reaches Agreement with Restaurateur has beef with meat scam**

**Travel agent found in N.Y. after fleeing ticket scandal**

**Debt Service Scales Back Its Operations**

Mueblería usa como eslogan "La casa se está quemando"

**County halts sales of meters to detect microwaves**

**Consumers with Furniture Retailer Signs Settlement Agreement Regarding Deceptive Sales Practices**

**Police Arrest Suspect in Home Improvement Scam**

**Montgomery Cleans Up Cookware Scam**  
*At Home Parties, Latinos Were Tricked Into Signing Purchase Agreements*

**Customers can reclaim clothes from evicted dry cleaners**

*More than 200 items left in business that shuttered in January, county says*

**leakage**

**Inspections Lag on Gas Appliances Sold From Big-Box Stores**

Complaints can help lower newly-hiked credit card rates

**Office of Consumer Protection Report: Some retailers failing to ensure Use Only Licensed Contractors inspections of gas appliances**

**County Takes Legal Action Against Plumbing Firm**

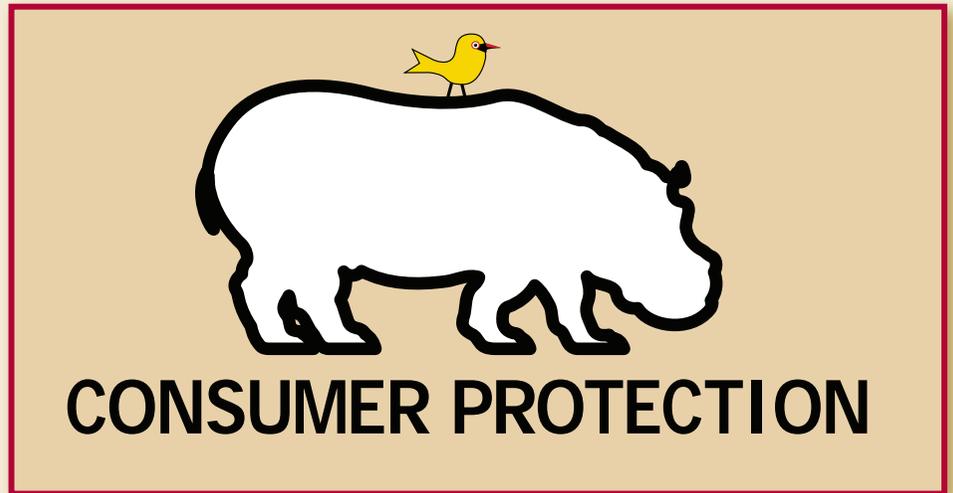
# The Hippo Story

The Office of Consumer Protection is proud to be one of the “public safety” departments in Montgomery County.

The hippo represents the larger public safety departments: Police, Fire and Rescue Service, Sheriff, Emergency Management and Homeland Security, and Correction and Rehabilitation.

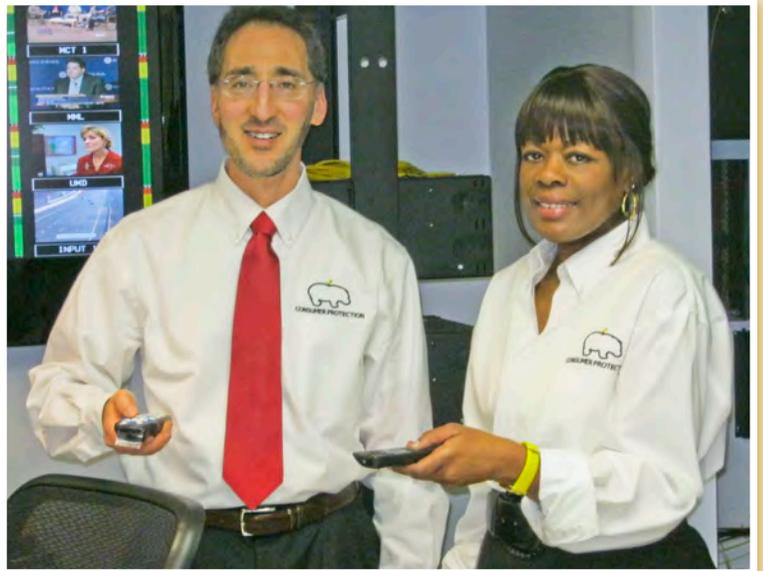
The bird on top of the hippo represents OCP, and symbolizes a symbiotic relationship among the departments.

The bird keeps the hippo healthy and active by eating bugs and parasites. OCP provides assistance with regard to impound towing, pawn shops, illegal contractors & car sellers, business evictions, unsafe electrical products, and the installation of gas appliances.



In collaborating with public safety departments, OCP enables the larger departments to more efficiently respond to other issues, and the larger departments are able to make appropriate referrals to OCP.

Together, all the public safety departments enforce laws that protect the quality of life in Montgomery County.



## Hall of Thanks

The Office of Consumer Protection's multidisciplinary staff are dedicated consumer advocates devoted to ensuring integrity in our marketplace. We take great pride in our customer service and results. In addition, letters and comments of praise from our biggest fans, Montgomery County residents, are greatly appreciated. The following comments speak to our successes and fuel our commitment to our mission:

*"I had given up months before... I got a live person at the Montgomery office, filed a complaint through them, and they acted."*

*Abby T.  
Silver Spring, MD  
Submitted to the  
Washington Post*

*"...thank you and your staff for your outstanding service to the citizens of Montgomery County. I have lived in the county for many years, and your office is an outstanding example of good government at its best."*

*Stanley L.  
Bethesda, MD*

*"I cannot begin to describe my delight in being able to tell others that I have now experienced government at its best and truly mean it!"*

*Mary C.  
Silver Spring, MD*

*"Thanks to your intervention, I got a very satisfactory result... I thank you for your time, dedication and good service."*

*Aliette B.  
Silver Spring, MD*

*"...to express my gratitude that there is someplace in the government where I could go when I needed help and could not get to a satisfactory result on my own. I hope and expect that you are aware that county residents need this office and appreciate the work they do."*

*Nancy C.  
Rockville, MD*

*"From day one, I knew I was in good hands and I felt confident following your advice, which was always spot on. You were extremely knowledgeable, skillful, patient, and helpful! Your efforts were tireless..."*

*Paul B.  
Bethesda, MD*

*"We cannot praise enough the Montgomery County Office of Consumer Protection and its employees for their hard work on our behalf. We are a retired couple on a fixed income and were hopelessly overmatched in attempting to deal with one of America's largest corporations. No resolution would have been possible without the help of OCP. This is indeed a wonderful service rendered by the County to its residents."*

*Edward F.  
Olney, MD*

*"You addressed my complaint in a timely manner, kept me informed throughout the process, addressed the issues I had along the way and followed through in a most exceptional way."*

*Walter W.  
Rockville, MD*

## Many Thanks to Our Volunteers

Since the creation of Montgomery County's Office of Consumer Protection, we have actively recruited and welcomed assistance from volunteers. OCP has been very fortunate to have a cadre of dedicated and talented volunteers who assist us in ways both big and small. Our volunteers include a retired deputy attorney general from New Jersey, a former teacher and principal, a retired Secret Service administrator, a former general counsel for a national bank, homemakers, college and high school students, and many other retired professionals.

These talented individuals, under the direction of our staff, sort through case details, answer calls from consumers, respond to mail, negotiate settlement agreements, and help coordinate consumer outreach events.

If you would like to volunteer with our office, please visit our website or call us at 240.777.3636.

OCP expresses its sincerest gratitude for the time, commitment, and dedication that our volunteers have provided through forty years of consumer protection.

Albert, Amanda	Creel, John
Alexander, Richard	Dempsher, Eve
Aquino, Victor	Dresner, Zita
Bacot, Janet	Edelberg, Nate
Bacot, Libba	Ezzat, Sarah
Baer, Jack	Euzent, Sid
Bailey, Andrew	Farrar, Allen
Bansal, Megha	Feldman, Bill
Bates, Jeremy	Fishbein, Evelyn
Battle, Kendra	Gale, Joshua
Becker, Judi	Gardner, Jarred
Beckwith, Lisa	Gaule, Gabriela
Berilla, Trek	Goldsmith, John
Blandford, Bill	Goodman, Ellen
Blass, Irv	Hackett, William
Brill, Bob	Hall, Ron
Brownlee, Andrew	Hickson, Michael
Cammissa, Joe	Horowitz, Michelle
Carew, Katie	Joyce, Barbara
Chan, Kayshin	Kane, William
Chucker, Ellie	Kelland, Colby
Clemens, Jules	
Colletti, Mary Caroline	
Colmar, Robert	
Cooper, Rae	

Malamud, Leonard	Shiau, Heidi
Mason, Dave	Shiau, Hubert
McMillan, Susan	Silber, Charlotte
Medina, Efren	Spokany, Susan
Miller, Carl	Szawlewicz, Marge
Minami, Patricia	Stern, Herb
Montano, Ronald	Tafur, Emilio
Morales, Virginia	Tarkington, Frank
Newell, Bob	Terrones, Abigail
Nielson, Monica	Trombka, Elana
Oganesyan, David	Turcios, Francisco
Olech, Martin	Vera, Mirka
Oum, Steve	Waters, Leta
Ozlu, John	Watkins, Keith
Poore, Phyllis	Weinberger, Morris
Qu, Tiffany	Weinman, Marvin
Rahman, Ayesha	Wink, Linus
Rappaport, Sydell	Zitelman, Jeff
Reynolds, Tim	Zuckerman, Irene
Rosenthal, Irwin	Zung, Robert
Sargeant, Karen	Zweig, Sheri
Seigel, Jerry	



## OCP STAFF

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Lorena Bailey, *Investigator*

Lisa Brennan, *Investigator*

Peggie Broberg, *Office Manager*

Shaun Carew, *Customer Service Assistant*

Marsha Carter, *Operations Administrator*

Peter Drymalski, *Investigator*

Eric Friedman, *Director*

John Lewis, *Investigator*

Sharon Margolis, *Investigator*

Joy Matthews, *Investigator*

Doug Numbers, *Investigator*

Jim Parks, *Investigator*

Pam Prather, *Administrative Specialist*

Joe Rosado, *Investigator*

Bernie Vega, *Investigator*

Ralph Vines, *Investigations Administrator*



# Organizational Chart

## OFFICE OF CONSUMER PROTECTION (OCP)

*Ensuring Integrity in our Marketplace*

### OFFICE OF THE DIRECTOR

Legislation  
Media/Communications  
Program Measures  
Special Projects  
Staff to Advisory Committee on Consumer Protection

### INVESTIGATIONS UNIT

Automotive, Real Property, Retail, and General Investigations  
Annual Gift Card Study  
Business Eviction Response Team (BERT)\*  
Domestic Workers Initiative (Bill #2-08)  
Energy and Environmental Advocacy (Bill #35-07)  
Estimated Property Tax Disclosure Initiative (Bill #24-07) \*  
Staff to Builders' Board of Registration  
Staff to Commission on Common Ownership Communities  
Trespass/Impound Towing Regulations

### OPERATIONS UNIT

Budget and Financial Services  
Contract Administration  
Customer Service  
Consumer Outreach  
Human Resources and Staff Training  
Information and Technology Initiatives  
Office Operations  
Business Licensing Program  
Volunteer and Intern Program

\*National Association of Counties (NACO) Recognition Award Winner



## Spotlight on OCP's First Executive Director

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**B**arbara B. Gregg was selected from more than 150 highly qualified applicants in 1971 by County Executive James Gleason, and served for 25 years as the first executive director of Montgomery County's newly created Office of Consumer Affairs.

During this 25-year period, and through the administrations of five different county executives, Ms. Gregg is credited with developing the office from a fledgling agency, with only one investigator, into a nationally recognized consumer protection organization. Ms. Gregg instilled an office culture in which dedicated staff function as "can-do" public servants, not government bureaucrats. Competency, fairness, and integrity are the hallmarks of Ms. Gregg's legacy as the founding executive director of a most effective agency.

Ms. Gregg has a law degree from New York University and a BA in government from Cornell University. She was the supervising director of the Urban Law Institute of Antioch College, and also previously served as the managing attorney for Onondaga Neighborhood Legal Services in Syracuse, New York.





**Eric Friedman, Director**



**Ensuring Integrity  
in our Marketplace**

## **OCP Staff Profiles**

The OCP Staff of 16 includes five attorneys and a certified automotive technician. Three members of our staff are fluent in Spanish. Several are certified by the judicial system as experts in their fields qualified to testify in court on cases involving their specialties. OCP is fortunate to also have a team of dedicated English and Spanish speaking volunteers and interns. A total of 16 volunteers contributed an average of 2,600 hours in FY 2010 and FY 2011, working with administrators and investigators, and enabling OCP to “leverage” our ability to be productive.

During FY 2010 and FY 2011 OCP was fortunate to have Jim Parks, an ASE-certified automotive technician with over 30 years of experience, and Joe Rosado, a former communications engineer with the Secret Service, join our team. In addition, Shaun Carew brought his expertise in technology and customer service to OCP.

Also during FY 2010 and FY1 Program Specialist Virginia Foronda, Administrator Evan Johnson, and Investigator John Creel retired from OCP. With a combined 78 years of consumer protection service, their institutional knowledge, dedication, and acumen will be sorely missed.

OCP was saddened by the passing of Investigator Nellie Miller in 2010. Her skills and contributions to OCP and the Commission on Common Ownership Communities will be greatly missed. Nellie was the first investigator to work in Montgomery County’s consumer protection office in 1971.

### **Contact Information**

Montgomery County, Maryland  
Office of Consumer Protection  
100 Maryland Ave, Suite 330  
Rockville, MD 20850

240-777-3636

Anonymous Consumer Tip Line: (240) 777-3681

Webpage: [www.montgomerycountymd.gov/consumer](http://www.montgomerycountymd.gov/consumer)

E-mail: [consumerprotection@montgomerycountymd.gov](mailto:consumerprotection@montgomerycountymd.gov)

Twitter: <http://twitter.com/consumerwise>

YouTube: <http://www.youtube.com/consumerwise>.

# Numbers At a Glance (FY 2011)

## Administration

Budget .....	\$2 million
Total Employees .....	16
Including:	
Attorneys .....	5
Auto experts .....	1
Spanish Speaking staff .....	3
Volunteer Hours .....	2,610

## Consumer Complaints

Written Complaints .....	1,557
Consultation Requests .....	4,721
Merchant Disclosures .....	23,710
Restitution .....	\$ 594,710
Satisfied with Outcome .....	3.1 (scale of 0 to 4)
Satisfied with Manner .....	3.4 (scale of 0 to 4)

## Media Communications

Press Releases .....	7
E-subscribers .....	4,082
Twitter Subscribers .....	219
You-Tube Video Views .....	5,041
Website Visits .....	329,614

## OCP Education Outreach

Events/Forums .....	19
Average Attendance per Event .....	113

## OCP Law Enforcement

Settlement Agreements .....	7
Civil Citations/Criminal Charges .....	61
Subpoenas .....	34



Office of Consumer Protection  
 100 Maryland Avenue, Suite 330  
 Rockville, MD 20850



This information is available in an alternate format by calling 240-777-3636