



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 FY17 Operating Budget for the Office of Consumer Protection is \$2,110,385, a decrease of \$278,345 or 11.65 percent from the FY16 Approved Budget of \$2,388,730. Personnel Costs comprise 93.24 percent of the budget for 16 full-time position(s) and one part-time position(s), and a total of 15.60 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 6.76 percent of the FY17 budget.

County Government Reorganization

In October 2015, the County Executive transmitted to the County Council recommended amendments to Chapter 10B, Common Ownership Communities of the Montgomery County Code which includes transfer of the Common Ownership Communities (COC) program from the Office of Consumer Protection to the Department of Housing and Community Affairs. Transfer of these responsibilities is designed to advance the core mission of the COC and will enhance adjudication of disputes, create cohesive staff and technology support, and increase overall public awareness.

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 (where applicable), with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY16 estimates reflect funding based on the FY16 approved budget. The FY17 and FY18 figures are performance targets based on the FY17 recommended budget and funding for comparable service levels in FY18.

Accomplishments

- Worked with elected officials and stakeholders to revise Montgomery County's trespass towing law (Chapter 30C). Towing complaints have a major economic impact on Montgomery County's business districts by resulting in lost customers and revenue.
- Partnered with the Department of Permitting Services (DPS) to take enforcement action against individuals who are in the business of building or renovating homes and selling them without being properly licensed. When these homes are sold, consumers do not receive the warranty protections that a licensed contractor is required to provide.
- Replaced its cable television program with fast-paced 2 minute consumer news alerts that provides quicker notification to consumers and are more effectively used with social media platforms.
- In conjunction with the OCP Advisory Committee, met with all the community liaisons within the Office of Community Partnerships to better understand the consumer needs of social, cultural, or economic diverse communities and develop plans to address those needs and engage in effective outreach.

Productivity Improvements

- Working with the Department of Technology Services (DTS) to define and update its business rules in anticipation of DTS building and deploying an enhanced complaint tracking/case management system to combine digital and paper case files, maintain photos and documents, and effectively search records. This improvement will increase staff productivity in case investigation, improve reporting capabilities, and provide OCP with additional management tools for compiling program measures, identifying trends, and allocating resources. Residents benefit from increased productivity and improvements by having more efficient case handling and enhanced access to online complaint records.
- Updated procedures for investigating and addressing complaints against unlicensed home improvement contractors and participated in a multi-jurisdictional "Woodchuck Task Force" to share information and coordinate criminal prosecution of unlicensed contractors with the Police. Woodchuck are contractors, usually unlicensed, that engage in door-to-door sales, and typically scour neighborhoods offering tree and lawn services.

Program Contacts

Contact Marsha Carter of the Office of Consumer Protection at 240.777.3686 or Helen P. Vallone of the Office of Management and Budget at 240.777.2755 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 FY14	Actual FY15	Estimated FY16	Target FY17	Target FY18
Restitution received as a percent of restitution asked for by the consumer and validated by the assigned OCP case investigator	80%	80%	80%	80%	80%
Average Office of Consumer Protection (OCP) customer satisfaction rating - Manner in which the customer's case was handled (1-4 scale) based on customer satisfaction survey	3.2	3.6	3.3	3.3	3.3
Average OCP customer satisfaction rating - Outcome of the customer's case (1-4 scale) based on customer satisfaction survey	3.2	3.4	2.8	2.8	2.8
Average time in workdays to investigate and close a written complaint (All complaints)	59	56	64	64	64
Average time in workdays to investigate and close a written complaint (>\$5,000)	94	72	64	64	64
Average time in workdays to investigate and close a written complaint: (\$1,001 - \$5,000)	67	69	64	64	64

Program Performance Measures	Actual	Actual	Estimated	Target	Target
	FY14	FY15	FY16	FY17	FY18
Average time in workdays to investigate and close a written complaint: (\$101 - \$1,000)	57	55	64	64	64
Average time in workdays to investigate and close a written complaint: (Less than \$100)	44	45	64	64	64
Average time in workdays to investigate and close a written complaint: (\$NA)	57	51	64	64	64
Percent of consumer protection cases closed that are resolved by OCP	63%	62%	65%	65%	65%
Media Coverage - Percent of news releases receiving media coverage, including print news, television and radio	94%	89%	75%	75%	75%
Media Coverage - Number of times media outlets, including print news, television and radio, seek out OCP's expertise	25	28	24	24	24

FY17 Recommended Changes	Expenditures	FTEs
FY16 Approved	2,033,790	14.70
Increase Cost: Group Insurance Adjustment	10,625	0.00
Increase Cost: Printing and Mail	273	0.00
Shift: Telecommunications to the Telecommunications Non-Departmental Account	(15,480)	0.00
Decrease Cost: Retirement Adjustment	(31,248)	0.00
Decrease Cost: Annualization of FY16 Personnel Costs	(82,551)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	194,976	0.90
FY17 Recommended	2,110,385	15.60

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.

NOTE: COC is moving from the Office of Consumer Protection to the Department of Housing and Community Affairs.

Program Performance Measures	Actual	Actual	Estimated	Target	Target
	FY14	FY15	FY16	FY17	FY18
Percent of Commission on Common Ownership Communities (CCOC) cases resolved prior to a hearing	65%	68%	60%	N/A	N/A

FY17 Recommended Changes	Expenditures	FTEs
FY16 Approved	354,940	1.90
Shift: Common Ownership Communities Investigator III and Operating Expenses to the Department of Housing and Community Affairs	(190,089)	(1.00)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(164,851)	(0.90)
FY17 Recommended	0	0.00

Notes: COC is moving from the Office of Consumer Protection to the Department of Housing and Community Affairs in FY17.

Budget Summary

	Actual FY15	Budget FY16	Estimate FY16	REC FY17	%Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	1,398,602	1,461,434	1,493,740	1,379,622	-5.6 %
Employee Benefits	666,148	746,071	652,133	588,065	-21.2 %
County General Fund Personnel Costs	2,064,750	2,207,505	2,145,873	1,967,687	-10.9 %
Operating Expenses	70,811	181,225	169,496	142,698	-21.3 %
County General Fund Expenditures	2,135,561	2,388,730	2,315,369	2,110,385	-11.7 %

	Actual FY15	Budget FY16	Estimate FY16	REC FY17	%Chg Bud/Rec
PERSONNEL					
Full-Time	17	17	17	16	-5.9 %
Part-Time	1	1	1	1	---
FTEs	16.60	16.60	16.60	15.60	-6.0 %
REVENUES					
Common Ownership Community Fees	413,722	410,000	415,000	0	-100.0 %
Miscellaneous Revenues	2,000	0	0	0	---
New Home Builder's License	133,813	134,000	134,000	134,000	---
Other Fines/Forfeitures	700	1,000	1,000	1,000	---
Other Licenses/Permits	71,224	55,000	55,000	60,000	9.1 %
County General Fund Revenues	621,459	600,000	605,000	195,000	-67.5 %

FY17 Recommended Changes

Expenditures FTEs

COUNTY GENERAL FUND

FY16 ORIGINAL APPROPRIATION

2,388,730 16.60

Other Adjustments (with no service impacts)

Increase Cost: FY17 Compensation Adjustment	30,125	0.00
Increase Cost: Group Insurance Adjustment [Consumer Protection]	10,625	0.00
Increase Cost: Printing and Mail [Consumer Protection]	273	0.00
Shift: Telecommunications to the Telecommunications Non-Departmental Account [Consumer Protection]	(15,480)	0.00
Decrease Cost: Retirement Adjustment [Consumer Protection]	(31,248)	0.00
Decrease Cost: Annualization of FY16 Personnel Costs [Consumer Protection]	(82,551)	0.00
Shift: Common Ownership Communities Investigator III and Operating Expenses to the Department of Housing and Community Affairs [Commission on Common Ownership Communities]	(190,089)	(1.00)

FY17 RECOMMENDED

2,110,385 15.60

Program Summary

Program Name	FY16 APPR		FY17 REC	
	Expenditures	FTEs	Expenditures	FTEs
Consumer Protection	2,033,790	14.70	2,110,385	15.60
Commission on Common Ownership Communities	354,940	1.90	0	0.00
Total	2,388,730	16.60	2,110,385	15.60

Charges to Other Departments

Charged Department	Charged Fund	FY16		FY17	
		Total\$	FTEs	Total\$	FTEs
COUNTY GENERAL FUND					
Fire and Rescue Service	Fire	65,042	1.00	67,977	1.00

Future Fiscal Impacts

Title	CE RECOMMENDED (\$000s)					
	FY17	FY18	FY19	FY20	FY21	FY22
COUNTY GENERAL FUND						
EXPENDITURES						

Title	CE RECOMMENDED (\$000s)					
	FY17	FY18	FY19	FY20	FY21	FY22
FY17 Recommended	2,110	2,110	2,110	2,110	2,110	2,110
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	12	12	12	12	12
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	2,110	2,122	2,122	2,122	2,122	2,122

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