Office of Consumer Protection
Ensuring Integrity in our Marketplace

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Office of Consumer Protection (OCP) Annual Report
FY17 (July 1 2016 to June 30 2017)

Who We Are

The Office of Consumer Protection (OCP) is a law enforcement agency responsible for administering nine statutes, licensing several types of businesses (new home builders, auto repair and towing, appliance repair and secondhand personal property dealers), and collaborating with other County agencies. OCP also staffs the Patient Advocate Position for the Emergency Medical Services Insurance Reimbursement Program.

Mission Statement

The mission of the Office of Consumer Protection 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 approved FY17 Operating Budget for the Office of Consumer Protection is $2,109,070, a decrease of $279,660 or 11.71 percent from the FY16 Approved Budget of $2,388,730. Personnel Costs comprise 93.23 percent of the budget for 16 full-time position(s) and one part-time position(s), and a total of 15.60 FTEs. Operating Expenses account for the remaining 6.77 percent of the FY17 budget.

Examples of Complaint Resolution in FY 2017

The OCP obtained refunds for consumers victimized by a longstanding "theft of deposit" scam in which a real estate merchant purported to sell and build new homes on the same lots to different consumers. These deposits ranged from

$40,000 to $270,000, and were held by the unlicensed builder for up to two years.

When a drycleaner was evicted and left the premises with consumers' property locked inside, the Office of Consumer Protection intervened to recover and distribute the clothing. Hundreds of items left behind were returned to consumers.

The OCP, through its Language Friendly Hours initiative, resolved 32 complaints against a retail water store. The business had sold pre-paid punch cards for water but closed the business before these consumers could either obtain a partial refund or use the punch cards in full. Given that the owner of the business spoke Korean, resolving the case required extensive calls and meetings with the help of a Korean-speaking volunteer. In the end, all consumers were able to receive a satisfactory resolution to their complaints.

Legal Action

The OCP issued 17 criminal and civil charges regarding deceptive trade practices victimizing consumers in Montgomery County.

The OCP 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. Woodchucks are unlicensed contractors that engage in door-to-door sales, and typically scour neighborhoods offering tree, lawn, and home repair services.

Legislative Action

The OCP provided written testimony in support of HB1499 "Consumer Protection – Bank Overdraft Plans-Requirements." This bill provided for mandatory disclosures in connection with overdraft plans; an issue that arose in one of the complaints the OCP handled.

Departmental Collaborations

The OCP 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.

The OCP is working with the Department of Technology Services (DTS) to define and update its business rules as the DTS continues to build and deploy the enhanced Complaint and Licensing Management System ("CALMS") 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.

The OCP took an active role advocating in two workgroups before the Public Service Commission regarding the PC 44 Rate Design & Competitive Markets and Customer Choice Work Groups (Case Nos. 9153-57, 9362).

Examples of Community Outreach

The OCP initiated "Language Friendly Hours" and recruited bilingual volunteers to enable our office to better communicate and provide services to consumers and merchants who primarily speak Korean, Chinese, Spanish, French, and Russian. The OCP is always interested in outreach to other non-English speaking communities and invites volunteer inquiries.

The OCP provided speakers, staff, and educational materials to forty-two (42) programs hosted by numerous organizations, including the Rotary Club, Vietnamese American Senior Association, MCPL Money Smart Week, Korean Senior Center, various senior Villages, A.S.K. Technology at Montgomery College's Business Training Center, Jewish Community Center, Single Parent Conference at Montgomery College, Montgomery County Citizen Academy Alumni Association, Nuclear Regulatory Commission, and Senior Forums organized by Councilmembers Sidney Katz and Roger Berliner.

The OCP replaced its cable television program with fast-paced 2-minute consumer news alerts that provide quicker notification to consumers and are used more effectively with social media platforms. The OCP issued nine (9) Consumer Alert videos regarding common consumer questions and scams. Please visit YouTube to subscribe to our "ConsumerWise" channel for future alerts as videos are uploaded.

The OCP used social media to provide information to the public, including warnings about online dating scams, alerts on flood damaged cars which are expected to infiltrate the used car market, cybersecurity alerts, information on properly registered home appliance and consumer electronics repair companies, information on the Western Union scam refunds, and warnings on holiday scams such as "Porch Pirates" and charity fraud. Consumers are advised to subscribe to Facebook and Twitter for more up-to-date information.

The OCP added a section to its website highlighting "Recent Scams and Alerts."

Special Projects

The OCP warned consumers and businesses about lost pet and child "donation" candy boxes in stores. Through County Cable, and the local news media, the OCP provided the public with information on this, and other, charity scams.

Business Licensing

The DTS added the Secondhand Personal Property Dealer licenses to CALMS. Statistics will be added by CountyStat to a dashboard starting in FY18 for future annual reports.

The OCP's home page, http://montgomerycountymd.gov/OCP, has information on licensing and registration for home builders; commercial parking lot registration; motor vehicle repair and towing; radio, television and small appliance installation and repair; and second-hand personal property dealers. It also has a Business Services page that can link to the OCP's Business Liaison.

Thank you letters and Awards

Following are quotations from correspondence received:

"I am writing to express my sincere appreciation to the Office of Consumer Affairs [OCP] for the assistance and support, received from your office, with resolution for my complaint, Case #xxx. The OCP investigator assigned to my case … was professional, knowledgeable, patient and diligent as she guided me through the different stages of the system during the past year, to reach resolution and finally to obtain justice."

"I truly believe you are THE ONE and ONLY effective agency that could get this kind of matter resolved! I complained to your local Better Business Bureau about the online [merchant], but they closed my case simply because the company failed to respond to their letter :(. I also complained to two other agencies, but neither has taken any action on it....ONLY YOU, YES, the only ONE, really took IMMEDIATE ACTION and HELPED ME!"

"We have been residents of Montgomery county since the early 50s and appreciate the help of your Office over the years. Montgomery County residents are fortunate to have you."

"While it is fashionable these days to support efforts to downsize government, I believe the Office of Consumer Affairs to be a most worthwhile arm of government, providing truly essential services to the public."

"You are all that someone representing the County or anyone should be. You are pleasant, courteous, efficient, and intelligent. I especially appreciated that I could reach you with just a phone call and speak to you immediately."

Some statistics (number of complaints, licenses, phone call consultations, etc.)

The OCP received over 1,370 written complaints from the public and closed over 1,430 investigations. The following chart includes some performance measures with results in FY 2017:

Performance Measures	Achievement
Restitution received as of % asked	83%

Satisfaction with case handling	3.1*
Satisfaction with case outcome	2.9*
Time to investigate and close complaint	51 workdays
OCP initiated cases resolved by OCP	60
News releases covered by media	100%
Media requests for OCP expertise	24

*scale of 1-4

The OCP responded (by telephone, email, or walk-in) to over 2,380 "Consultation Requests" from the public in which OCP staff provided information and advice to consumers, merchants and non-profits.

New Employee Hired / Retired

In Fiscal Year 2017 the Office of Consumer Protection said goodbye to three veteran staff members and one volunteer who *each* had provided the County with approximately 30 years of dedicated service.