Office of Consumer Protection

Ensuring Integrity in our Marketplace

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Office of Consumer Protection (OCP) Annual Report

FY14 (July 1 2013 to June 30 2014)

**Ensuring Integrity
in our Marketplace**

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 FY14 Operating Budget for the Office of Consumer Protection is $2,148,716, a decrease of $33,896 or 1.6 percent from the FY13 Approved Budget of $2,182,612. Personnel Costs comprise 93.4 percent of the budget for 17 full-time positions and one part-time position, and a total of 16.60 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 6.6 percent of the FY14 budget.

FY14 Operating Budget

Personnel Costs

Operating Expenses

7%

93%
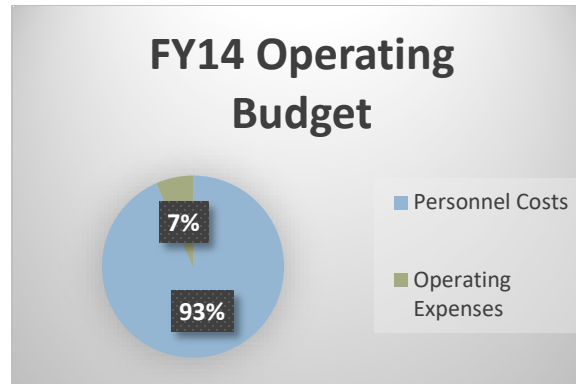
Accomplishments and initiatives

❖ *NACo Achievement Award for Volunteer Depot Database*

Over the past year, the OCP has restructured its volunteer program to broaden its volunteer base to include college interns and law students, while maintaining its core professional volunteers as well our youth. OCP developed an online volunteer application form and a unique database that enables to identify volunteers' skills and match it to an OCP project or need. Volunteer data is readily available to staff members to be used to develop projects or fill a need such as expertise in a particular area, language fluency, or software knowledge. In 2011 alone, volunteers contributed nearly 3,000 work hours to OCP, indicating that the program has been a successful venture.

NATIONAL ASSOCIATION of COUNTIES NACo

❖ *Commission on Common Ownership Communities (CCOC)*

The OCP serves as staff to the CCOC. 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.

❖ *Master Automotive Technician*

OCP is one of the only local government consumer protection offices to have a certified Master Automotive Technician on staff to handle complaints regarding auto repair. OCP's auto investigator served in the capacity of an independent expert regarding a multistate, hidden camera television report regarding transmission repair shops conducted by NBC

affiliates. OCP's auto expert also collaborated with several County agencies that provide emergency funds to eligible residents who are in danger of losing their employment due to transportation problems because of emergency automotive repairs, and provided expertise, resources, and evaluation of proposed expenditures relating to automotive issues. This program was a FY13 NACO Award Winner.

Program Descriptions

❖ *Investigations*

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.

❖ *Outreach and Education*

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.

OCP Services Brochure

❖ *Licensing and Regulation*

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.

Departmental Collaborations

❖ OCP collaborated with the DTS Cable Office in a lengthy investigation involving Comcast. In this investigation, the OCP successfully negotiated a settlement agreement with Comcast requiring them to change their service fee notification procedures and reimburse consumers for improperly charged service fees.

❖ OCP collaborated with Montgomery County's Special Counsel, Office of the County Attorney, and Department of Transportation (DOT) regarding the successful intervention on several major cases involving consumer rates, services, and Montgomery County street light tariff provisions preventing PEPCO from raising rates.

❖ OCP collaborated with Montgomery County Police Department, Office of the County Attorney, Intergovernmental Relations Office, and elected officials regarding trespass towing issues and complaints. OCP issued a comprehensive set of guidelines to assist towing firms in complying with new trespass towing restrictions and coordinated efforts to address potential federal preemption issues regarding state and local trespass towing laws.

Community Outreach

❖ *Live Discussion Platform*

Throughout FY14, the OCP has maximized its consumer education outreach initiatives by utilizing an interactive Live Discussion platform. This interactive consumer education forum allows residents in Montgomery County to send questions directly to Office of Consumer Protection Director, Eric Friedman. For instance, a live discussion held in October focused on issues affecting the Hispanic community and was translated in both English and Spanish. However, another discussion held later in June focused on broader Montgomery Country resident issues.

❖ *Auto Sales and Fraud*

In collaboration with the Maryland Consumer Rights Coalition (MCRC), the OCP hosted a well-attended film of a documentary produced by the MCRC titled "Driven to Defraud," which documented scams used by some car dealers to abuse Maryland car purchasers and shows consumers how to protect themselves from yo-yo sales (consumers getting called back in because of an alleged financing issue), interest rate mark-ups, rebuilt wrecks and other scams. OCP's auto expert and certified master automotive technician held a question-and-answer session.

❖ *Identity Theft & Fraud*

The OCP worked with the Department of Police Financial Crimes Section, and released a newsletter regarding identity fraud. More specifically, it provided safety tips to the public to help limit the potential for victimization by identity theft or fraud. The newsletter also included helpful resources (numbers/websites) that readers could utilize.

Productivity Improvements

❖ OCP continues to improve its business licensing program by initiating the first of a multi-step database enhancement. Currently, OCP's business licensing unit utilizes four distinct databases. OCP's Second Hand Personal Property Licenses have been transitioned with an improvement in productivity while minimizing user error with built-in business rule validation.

❖ OCP continues to leverage its resources with the contribution of over 2,500 hours from its volunteer staff. OCP expanded its use of this valuable resource by providing training to volunteers allowing them to participate in off-site consumer education outreach events.

❖ OCP continues to decrease its reliance on paper while maintaining efficient delivery of services. OCP's latest enhancement resulted in a paperless facsimile system whereby all OCP staff have immediate online access to incoming facsimiles.

Some Statistics (# of complaints, licenses, phone call consultations, etc.)

Performance Measures	Achievement
Restitution Received as % of Asked	80%
Satisfaction with Case Handling	3.2*
Satisfaction with Case Outcome	3.2*
Time to Investigate and Close Complaint	59 workdays
OCP-Initiated Cases Resolved by OCP	63%
News Releases Covered by Media	94%
Media Requests for OCP Expertise	25

*Scale of 1-4 (4=best)