



Fiscal Year 2022

# ANNUAL REPORT

---





**Marc Elrich**

COUNTY  
EXECUTIVE

Page #

Table of Contents

Section

2	Our Team/ Table of Contents
3	Who We Are
4	Mission
4	Budget Overview
5	Budget Snapshot
6	Program Descriptions
7	Investigations
8	Investigations Notable Cases
10	Outreach and Education
11	Outreach and Education Notes
13	Business Registration, Licensing & Regulation
14	Public Election Fund Liaison



**Eric S Friedman**

EXECUTIVE  
DIRECTOR



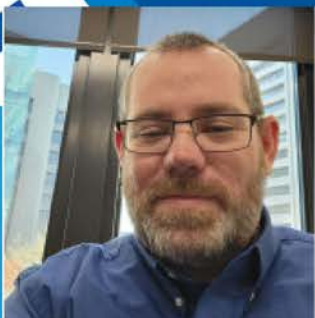
**K. Samuel Buo**

OPERATIONS  
ADMINISTRATOR



**Patty Vitale**

INVESTIGATIONS  
ADMINISTRATOR



**Shaun Carew**

BUSINESS EDUCATION  
& REGISTRATION  
PROGRAM MANAGER

OUR  
TEAM



**Maurice Valentine**

PUBLIC ELECTION FUND  
LIAISON/ OUTREACH  
MANAGER





# 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 and administers the County's Domestic Worker Law. This report covers fiscal year (FY) 2022, a period for Montgomery County Government that began on July 1st, 2021 and ended on June 30th 2022.





Ensuring Integrity  
in our Marketplace

# MISSION

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, business registration, law enforcement, education, legislation, advocacy, and outreach to vulnerable consumers.

# BUDGET OVERVIEW

The total approved FY22 Operating Budget for the Office of Consumer Protection is \$2,453,337 an increase of \$256,610 or 11.68 percent from the FY21 Approved Budget of \$2,196,727. Personnel Costs comprise 94.76 percent of the budget for 19 full-time position(s) and no part-time position(s), and a total of 18.00 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 5.24 percent of the FY22 budget.



# FY22 BUDGET SNAPSHOT



## FY 22 Expenditures

Salaries & Wages	\$1,580,003
Employee Benefits	\$452,883
County General Fund Personnel Costs	\$2,032,886
Operating Expenses	\$68,295
County General Fund Expenditures	\$2,101,181



**18.00 Full Time  
Equivalents**



Ensuring Integrity  
in our Marketplace





Ensuring Integrity  
in our Marketplace

# PROGRAM DESCRIPTIONS

The Consumer Protection program is a law enforcement function established in 1971 responsible for enforcing consumer protection laws to prohibit unfair and deceptive business acts to ensure fairness and integrity in the marketplace for consumers and businesses. The program is responsible for receiving, investigating, and resolving complaints, educating consumers and merchants, and registering and licensing certain businesses.

The program has the authority to issue civil citations for violations of law, issue subpoenas to compel testimony and documents, and collaborate with other agencies to advocate for legislation.

The program also staffs the Patient Advocate, administers the Domestic Worker law, and beginning in May 2021, the program now provides the County's Public Election Fund Liaison Service.





Ensuring Integrity  
in our Marketplace

# INVESTIGATIONS

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.

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.

**1,047 = Complaint Cases Received**

**43.63 = average number workdays to close complaints**

**4.60 = OCP Customer Satisfaction Survey Rating (5-point scale)**





Ensuring Integrity  
in our Marketplace

# INVESTIGATIONS

## NOTABLE CASES

### "DECEPTIVE MERCHANT: A CAUTIONARY TALE OF CREDIT CARD CHARGES AND DUBIOUS TAXES"

PGS OF METROPOLITAN WASHINGTON, INC., dba as Potomac Garage Solutions, install high-end cabinets for thousands of dollars in garages. The merchant is licensed and had two similar complaints in 2021. The complainant's alleged that the merchant uses electronic signatures for the contracts and never produced a diagram/picture of the final product. Once the job was completed, the merchant charges the customer's credit card for the final payment as per the contract. A few days later, an additional amount is charged including a bogus 3% tax. When challenged by the consumers regarding this extra charge, the merchant insists that the cabinet top was not included in the original contract and or state that the consumer ordered extra cabinets verbally. The merchant has been able to win disputes with the credit card company on both cases without producing change orders.

The OCP investigations revealed that there were numerous similar complaints against the merchant online. After lengthy discussions, the merchant signed a Settlement Agreement with OCP and refunded the complainants.

### "THE WARRANTY TRAP: A SENIOR'S STRUGGLE WITH A FAULTY APPLIANCE"

A senior consumer purchased a combination washer and dryer unit in 2021 from an appliance facility with an extended warranty. The washer and dryer stopped working during the warranty period. The manufacturer sent two different technicians to service the unit; however, the unit continued to have a problem for over a year. After unsuccessfully trying to resolve the problem with the manufacturer, the consumer filed a complaint with OCP. The manufacturer requested another attempt to service the unit. A subsequent repair attempt by the technician did not resolve the issue. The OCP investigator was able to mediate a refund for the unit with the manufacturer rather than a replacement of the unit as per the warranty guidelines. The consumer was refunded almost 1800.00.







Ensuring Integrity  
in our Marketplace

# INVESTIGATIONS

## NOTABLE CASES



### **"DELAYED AND DECEIVED: A FURNITURE FIASCO"**

A consumer purchased several furniture pieces from a furniture store in 2021 with a scheduled delivery date in 2022. Several delays occurred with the merchant causing the furniture not to be delivered as contracted. The consumer requested the cancellation of the furniture and a refund. The merchant refused. Upon filing a complaint with our office, the investigator determined that the merchant violated the county code for potential deceptive practices and violated a state law that gives the consumer the option of a refund if the furniture is not delivered within a certain time frame. The consumer was able to obtain a full refund totaling almost \$2000.



### **"ARBITRATION CLAUSE EXPOSED: JIFFY LUBE'S UNFAIR BUSINESS PRACTICE."**

OCP investigated certain Jiffy Lube Service Centers after receiving complaints from customers. They found out that these locations provided customers with sales receipts that included a clause forcing them to settle any problems with a specific mediation and arbitration service operated by the merchant's own attorney. This clause didn't let customers know about this fact. It required them to submit any claim or controversy in writing within 90 days and resolve the claim through arbitration if mediation didn't work, which prevented them from suing the Jiffy Lube Service Center. Customers received this receipt after paying for and completing the transaction, which didn't allow them to opt-out of the mandatory arbitration clause.

OCP opened an Executive Director-initiated complaint to pursue the matter with the relevant Jiffy Lube Service Centers. Receipts are now within compliance.





Ensuring Integrity  
in our Marketplace

# OUTREACH & EDUCATION

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. This Committee in FY21 recommended outreach efforts to help consumers obtain information they can use to protect themselves from potential financial crises. They have also identified topics based on the expertise of Committee members and OCP staff who can serve as presenters for webinars on consumer issues in the home-buying process; foreclosure prevention and consumer rights in foreclosure; issues related to landlord-tenant credit reporting; and consumer rights in debt collection and vehicle repossessions.

**46 = Events**

**> 1759 = estimated number of residents reached**



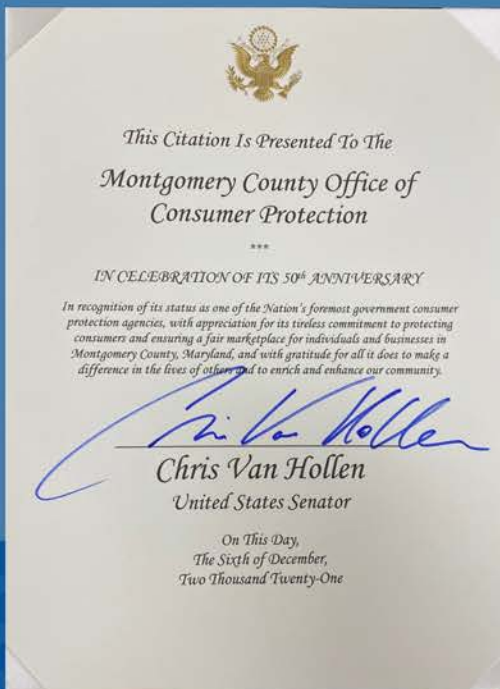


Ensuring Integrity  
in our Marketplace

# OUTREACH & EDUCATION NOTES

## "MONTGOMERY COUNTY'S CONSUMER CHAMPION: OCP'S 50-YEAR LEGACY"

On December 6th 2021, OCP celebrated 50 years of a mission to "strike a blow on behalf of each and every citizen of Montgomery County" which began in 1971 as one of the first acts of a newly formed County government (County Executive with County Council) and was entrusted to the leadership of Director Barbara B. Gregg. The celebration featured remarks from Rep. Jamie Raskin, County Executive Marc Elrich, Councilmembers Sidney Katz & Gabe Alborno, Chief Administrative Officer Richard Madaleno, and our very own Director Eric Friedman. This celebration was accompanied by a joint proclamation that made the first week of December, Montgomery County's local Consumer Protection Week.





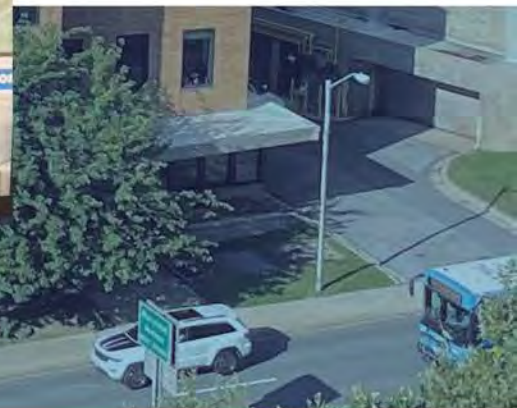


Ensuring Integrity  
in our Marketplace

# OUTREACH & EDUCATION NOTES

## "OCP DIRECTOR AND COUNTY OFFICIALS TAKE A STAND AGAINST SENIOR SCAMS"

During the month of April, 2022, OCP Director Friedman accompanied Councilmember Evan Glass, and Montgomery County State's Attorney John McCarthy on a speaking tour to many Montgomery County Senior Centers and Senior Villages to present on scams affecting Seniors and how to stay safe. Leisure World, Holiday Park Senior Center, Riderwood, Asbury Methodist Village were a few of the in-person stops that were attended by the leaders.



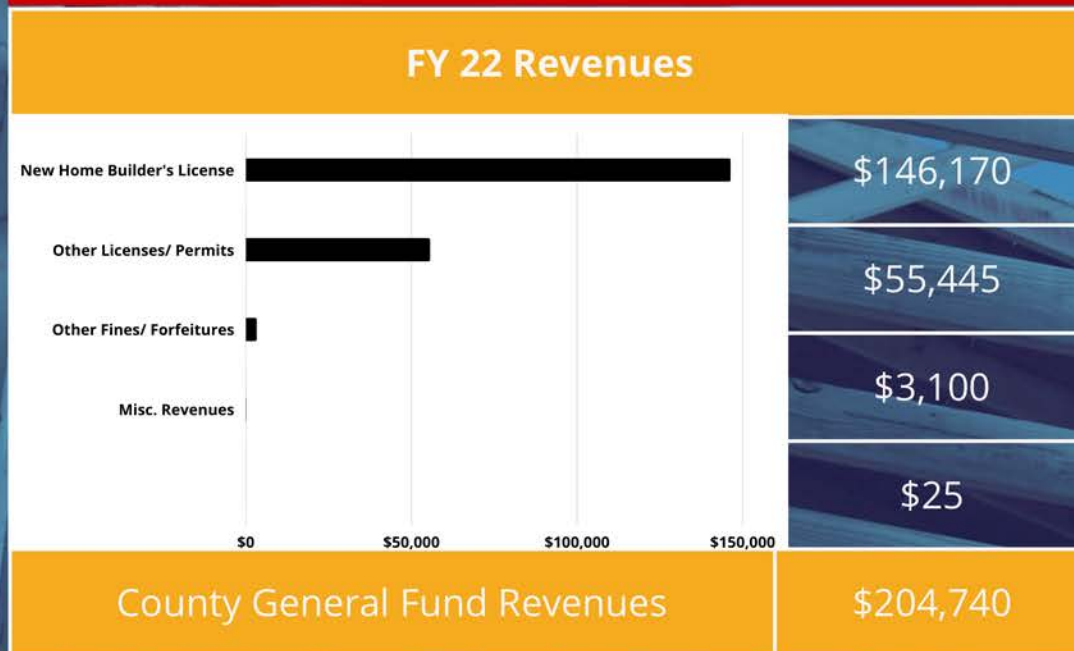




Ensuring Integrity  
in our Marketplace

# BUSINESS REGISTRATION, LICENSING & REGULATION

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



**707 = Business Registrations Received**

**6.85 = average number calendar days to issue a business license**

**4.60 = OCP Customer Satisfaction Survey Rating (5-point scale)**





Montgomery County's program of providing the option of public financing for candidates in County elections is one of the first and foremost programs of its kind in Maryland and the Country. As the next County election looms in 2022, and with campaigns already underway, the OCP has been designated, by County Executive Marc Elrich, as the County's "Public Election Fund Liaison" which serves as the place for candidates or residents to direct their questions about the public campaign financing program.









# THANK YOU

---

We at the Office of Consumer Protection sincerely thank you for taking interest in how we're serving the residents of Montgomery County and are looking forward to our opportunity to serve you too.

## CONTACT US

---



240.777.3636



[consumerprotection@montgomerycountymd.gov](mailto:consumerprotection@montgomerycountymd.gov)



[www.montgomerycountymd.gov/ocp](http://www.montgomerycountymd.gov/ocp)



100 Maryland Avenue, Suite 3600,  
Rockville, MD 20850