



Consumer Protection

Approved FY18 Budget
\$2,364,597

Full Time Equivalents
16.60

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 approved FY18 Operating Budget for the Office of Consumer Protection is \$2,364,597, an increase of \$255,527 or 12.12 percent from the FY17 Approved Budget of \$2,109,070. Personnel Costs comprise 91.36 percent of the budget for 17 full-time position(s) and one part-time position(s), 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 8.64 percent of the FY18 budget.

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). The FY17 estimates reflect funding based on the FY17 approved budget. The FY18 and FY19 figures are performance targets based on the FY18 approved budget and funding for comparable service levels in FY19.

Measure	Actual FY15	Actual FY16	Estimated FY17	Target FY18	Target FY19
Program Measures					
Restitution received as a percent of restitution asked for by the consumer and validated by the assigned OCP case investigator	80%	88%	85%	87%	87%
Average OCP customer satisfaction rating - Manner in which the customer's case was handled (1-4 scale) based on customer satisfaction survey	3.6	3.6	3.3	3.5	3.7
Average OCP customer satisfaction rating - Outcome of the customer's case (1-4 scale) based on customer satisfaction survey	3.4	3.4	3.4	3.5	3.5
Average time in workdays to investigate and close a written complaint (All complaints)	56	58	57	55	53
Average time in workdays to investigate and close a written complaint (> \$5,000)	72	75	73	71	69

Measure	Actual FY15	Actual FY16	Estimated FY17	Target FY18	Target FY19
Average time in workdays to investigate and close a written complaint (\$1,001 - \$5,000)	69	59	58	57	55
Average time in workdays to investigate and close a written complaint (\$101 - \$1,000)	55	56	55	54	53
Average time in workdays to investigate and close a written complaint (< \$100)	45	47	45	44	42
Percent of consumer protection cases closed that are resolved by OCP	62%	66%	66%	67%	68%
Media Coverage - Percent of news releases receiving media coverage, including print news, television and radio	89%	100%	100%	100%	100%
Media Coverage - Number of times media outlets, including print news, television and radio, seek out OCP's expertise	28	22	25	27	30
Percent of Commission on Common Ownership Communities (CCOC) cases resolved prior to a hearing ¹	68%	79%	N/A	N/A	N/A

¹ The CCOC was transferred to the Department of Housing and Community Affairs in FY17. The OCP no longer has oversight over this commission.

Initiatives

- ★ To prevent unlicensed home builders from improperly obtaining building permits, OCP enhanced its collaboration with the Department of Permitting Services (DPS) and reviewed statutory language for "loopholes" which unlicensed contractors may currently be exploiting.

Accomplishments

- ☑ Developed and launched a free mediation service to all businesses in Montgomery County. This is a way for businesses to resolve disputes with other businesses without the cost of retaining attorneys and pursuing litigation. Mediation sessions are conducted at OCP by a volunteer expert mediator.
- ☑ Monitored several for-profit referral services that recommend merchants to consumers. These online referral sources disseminate the names of merchants that are not properly licensed. OCP is working with volunteer computer experts to develop a program to compare those merchants listed on referral sites with those merchants listed in licensing databases to identify unlicensed merchants.

Innovations and Productivity Improvements

- ★ Collaborate with the Department of Technology Services (DTS) to deploy the Complaint and Licensing Management System (CALMS). CALMS enables consumers to provide their contact information, identify the merchant, fully explain the nature of the dispute, and make a request for resolution. In addition, CALMS enables OCP staff to record all communications and contacts with the consumer and merchant. This includes all documents, receipts, and photographs regarding each case and begins the transition from a paper-based filing system to an online filing system.
- ★ Increased outreach activity effort by including an informational flyer with the property tax billing sent to all property owners in Montgomery County. This notice ensures that a large number of residents are aware of OCP's services.

Collaboration and Partnerships

- ★ Flower Branch Apartments Explosion
Collaborated with many other departments to provide critically important financial information to consumers impacted

by the explosion and fire at Flower Branch Apartments. OCP staff participated in several resource outreach events to inform and assist consumers regarding debt collection and contractual issues. OCP created and translated an education flyer (fact sheet) into English, Spanish, Amharic, Mandarin Chinese, and Vietnamese languages. These flyers were distributed with donation payments to prevent recipients from being victimized by fraudulent individuals.

Partners

County Council, Office of the County Executive, Montgomery County Fire and Rescue Service

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.

BUDGET SUMMARY

	Actual FY16	Budget FY17	Estimate FY17	Approved FY18	%Chg Bud/App
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BUDGET SUMMARY

	Actual FY16	Budget FY17	Estimate FY17	Approved FY18	%Chg Bud/App
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	1,410,293	1,378,307	1,401,674	1,524,584	10.6 %
Employee Benefits	644,203	588,065	583,740	635,621	8.1 %
County General Fund Personnel Costs	2,054,496	1,966,372	1,985,414	2,160,205	9.9 %
Operating Expenses	144,206	142,698	121,689	204,392	43.2 %
County General Fund Expenditures	2,198,702	2,109,070	2,107,103	2,364,597	12.1 %
PERSONNEL					
Full-Time	17	16	16	17	6.3 %
Part-Time	1	1	1	1	—
FTEs	16.60	15.60	15.60	16.60	6.4 %
REVENUES					
Common Ownership Community Fees	416,672	0	0	0	—
Miscellaneous Revenues	4,560	0	0	0	—
New Home Builder's License	149,231	134,000	134,000	134,500	0.4 %
Other Charges/Fees	50	0	0	0	—
Other Fines/Forfeitures	2,350	1,000	1,000	1,000	—
Other Licenses/Permits	73,832	60,000	60,000	60,000	—
County General Fund Revenues	646,695	195,000	195,000	195,500	0.3 %

FY18 APPROVED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY17 ORIGINAL APPROPRIATION	2,109,070	15.60
<u>Changes (with service impacts)</u>		
Add: Manager III for Investigative Services [Consumer Protection]	104,706	1.00
<u>Other Adjustments (with no service impacts)</u>		
Restore: Funding for Administrative Specialist I (Part-Time) [Consumer Protection]	49,314	0.00
Increase Cost: Annualization of FY17 Personnel Costs	34,883	0.00
Increase Cost: FY18 Compensation Adjustment	34,268	0.00
Increase Cost: Retirement Adjustment	17,600	0.00
Increase Cost: Maintenance of Case Management System	10,000	0.00
Increase Cost: Annualization of FY17 Compensation Increases	5,529	0.00
Decrease Cost: Printing and Mail	(773)	0.00
FY18 APPROVED	2,364,597	16.60

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY17 Total\$	FY17 FTES	FY18 Total\$	FY18 FTES
COUNTY GENERAL FUND					
Fire and Rescue Service	Fire	67,977	1.00	71,174	1.00

FUTURE FISCAL IMPACTS

CC APPROVED (\$000S)

Title	FY18	FY19	FY20	FY21	FY22	FY23
COUNTY GENERAL FUND						
EXPENDITURES						
FY18 Approved	2,365	2,365	2,365	2,365	2,365	2,365
No inflation or compensation change is included in outyear projections.						
Annualization of Positions Approved in FY18	0	30	30	30	30	30
New positions in the FY18 budget are generally assumed to be filled at least two months after the fiscal year begins. Therefore, the above amounts reflect annualization of these positions in the outyears.						
Elimination of One-Time Items Approved in FY18	0	(3)	(3)	(3)	(3)	(3)
Items recommended for one-time funding in FY18 for operating expenses for new positions will be eliminated from the base in the outyears.						
Labor Contracts	0	10	10	10	10	10
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	2,365	2,402	2,402	2,402	2,402	2,402

ANNUALIZATION OF PERSONNEL COSTS AND FTES

	FY18 Approved		FY19 Annualized	
	Expenditures	FTEs	Expenditures	FTEs
Manager III for Investigative Services	101,553	1.00	131,522	1.00
Total	101,553	1.00	131,522	1.00

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