

Consumer Protection

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 FY07 Operating Budget for the Office of Consumer Protection is \$2,592,180. Personnel Costs comprise 92.5 percent of the budget for 23 full-time positions and one part-time position for 23.3 workyears. Operating Expenses account for the remaining 7.5 percent of the FY07 budget.

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding.

HIGHLIGHTS

- ❖ **First full year of the Office of Consumer Protection, which was formerly part of the Department of Housing and Community Affairs.**
- ❖ **Productivity Enhancements**
 - **Conducted the Consumer Protection Symposium for Hispanic Leaders.**
 - **Coordinated the Housing and Consumer Protection Day Fair.**
 - **Criminally prosecuted more than 25 unlicensed contractors.**
 - **Published the third annual report on gift cards.**

PROGRAM CONTACTS

Contact Eric Friedman of the Office of Consumer Protection at 240.777.3719 or Rose Glavinic of the Office of Management and Budget at 240.777.2769 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

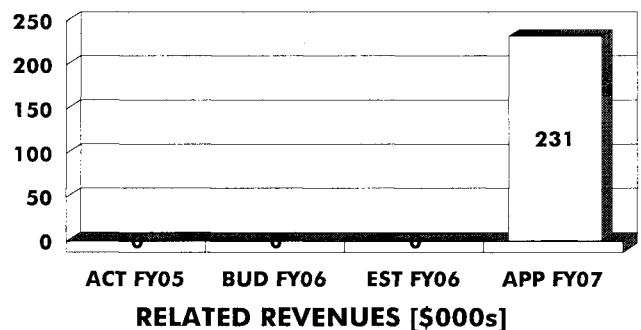
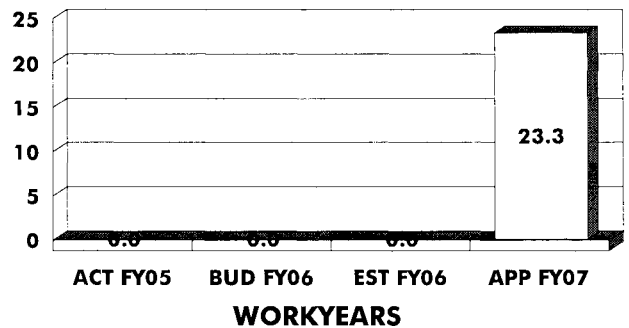
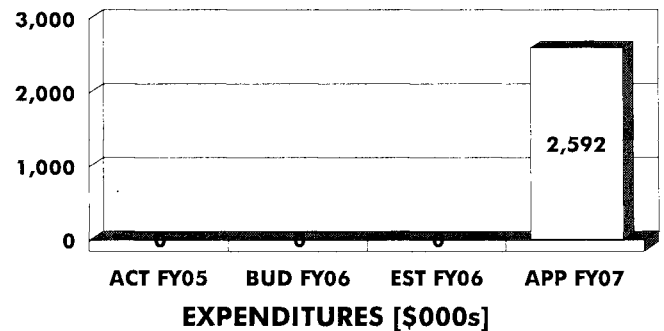
Consumer Protection

The Office of Consumer Protection 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.

Program Summary

	Expenditures	WYs
Consumer Protection	2,374,140	21.4
Commission on Common Ownership Communities	218,040	1.9
Totals	2,592,180	23.3

Trends



The Office of Consumer Protection 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 Office of Consumer Protection develops and conducts consumer education programs. The office issues press releases through the Public Information Office, holds press conferences, and publishes consumer brochures, staff responds to requests for information regarding consumer protection rights and remedies. Staff make 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 Office of Consumer Protection 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.

FY07 Changes

	Expenditures	WYs
FY06 Approved	0	0.0
FY07 Approved	2,374,140	21.4

Commission on Common Ownership Communities

The Office of Consumer Protection 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.

FY07 Changes

	Expenditures	WYs
FY06 Approved	0	0.0
FY07 Approved	218,040	1.9

BUDGET SUMMARY

	Actual FY05	Budget FY06	Estimated FY06	Approved FY07	% Chg Bud/App
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	1,712,130	
Employee Benefits	0	0	0	686,000	---
County General Fund Personnel Costs	0	0	0	2,398,130	---
Operating Expenses	0	0	0	194,050	---
Capital Outlay	0	0	0	0	---
County General Fund Expenditures	0	0	0	2,592,180	---
PERSONNEL					
Full-Time	0	0	0	23	---
Part-Time	0	0	0	1	---
Workyears	0.0	0.0	0.0	23.3	---
REVENUES					
New Home Builder License	0	0	0	171,500	---
Consumer Affairs Business Licenses	0	0	0	59,890	---
County General Fund Revenues	0	0	0	231,390	---

FY07 APPROVED CHANGES

	Expenditures	WYs
COUNTY GENERAL FUND		
FY06 ORIGINAL APPROPRIATION	0	0.0
<u>Changes (with service impacts)</u>		
Enhance: Implement Bill 25-05, Create an Office of Consumer Protection (OCP) Director	151,670	1.0
Enhance: Create - Investigator III to assist with consumer complaints, especially for the Hispanic community	82,590	1.0
Enhance: Implement Bill 25-05, Create an OCP Administrative Specialist III to manage all administrative duties	59,530	1.0
Enhance: Technical Adjustment	0	1.0
<u>Other Adjustments (with no service impacts)</u>		
Shift: FY06 Personnel Costs from Housing and Community Affairs to Office of Consumer Protection	2,045,770	19.3
Shift: FY06 Operating Costs from Housing and Community Affairs to Office of Consumer Protection	143,380	0.0
Increase Cost: Professional Services Information Technology Contract	50,000	0.0
Increase Cost: Retirement Adjustment	32,600	0.0
Increase Cost: Group Insurance Adjustment	25,970	0.0
Increase Cost: Motor Pool Rate Adjustment	670	0.0
FY07 APPROVED:	2,592,180	23.3