

# 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 FY08 Operating Budget for the Office of Consumer Protection is \$2,712,720, an increase of \$120,540 or 4.7 percent from the FY07 Approved Budget of \$2,592,180. Personnel Costs comprise 95.1 percent of the budget for 22 full-time positions and one part-time position for 22.3 workyears. Operating Expenses account for the remaining 4.9 percent of the FY08 budget.

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.

## HIGHLIGHTS

- ❖ **Productivity Enhancements**
  - Recruited and trained bilingual volunteers to address the needs of Montgomery County's Latino and Hispanic communities.
  - Initiated a Consumer Tip of the Week on the Office of Consumer Protection website.

## PROGRAM CONTACTS

Contact Marsha Carter of the Office of Consumer Protection at 240.777.3686 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

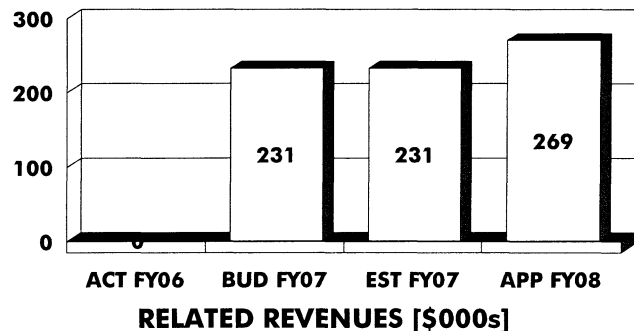
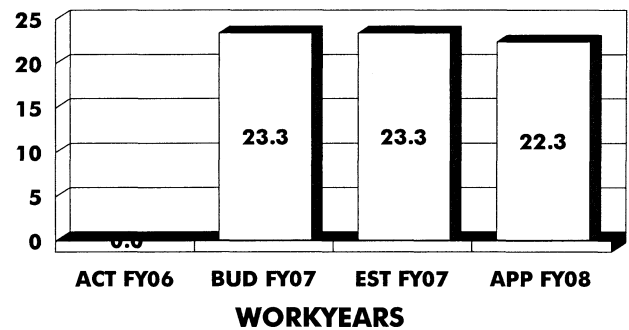
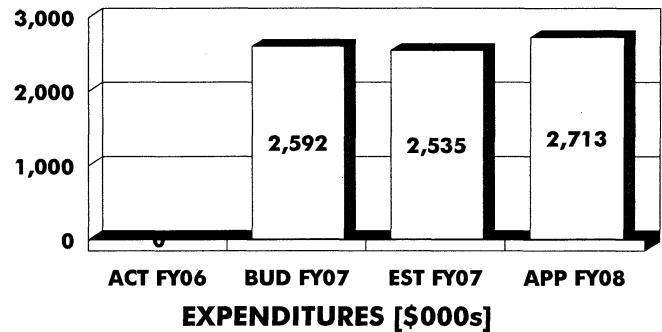
The Office of Consumer Protection receives and investigates complaints and initiates its own investigations of deceptive or unfair trade practices against consumers. Staff resolves disputes between consumers and merchants, identifies violations of County, State, and Federal consumer protection laws, 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.

The Office of Consumer Protection issues subpoenas to compel

## Program Summary

	Expenditures	WYs
Consumer Protection	2,492,570	20.4
Commission on Common Ownership Communities	220,150	1.9
<b>Totals</b>	<b>2,712,720</b>	<b>22.3</b>

## Trends



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 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 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.

### **FY08 Changes**

	<b>Expenditures</b>	<b>WYs</b>
<b>FY07 Approved</b>	<b>2,374,140</b>	<b>21.4</b>
<b>FY08 Approved</b>	<b>2,492,570</b>	<b>20.4</b>

### **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.

### **FY08 Changes**

	<b>Expenditures</b>	<b>WYs</b>
<b>FY07 Approved</b>	<b>218,040</b>	<b>1.9</b>
<b>FY08 Approved</b>	<b>220,150</b>	<b>1.9</b>

## BUDGET SUMMARY

	Actual FY06	Budget FY07	Estimated FY07	Approved FY08	% Chg Bud/App
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	1,712,130	1,681,410	1,811,750	5.8%
Employee Benefits	0	686,000	715,870	769,220	12.1%
<b>County General Fund Personnel Costs</b>	<b>0</b>	<b>2,398,130</b>	<b>2,397,280</b>	<b>2,580,970</b>	<b>7.6%</b>
Operating Expenses	0	194,050	138,090	131,750	-32.1%
Capital Outlay	0	0	0	0	—
<b>County General Fund Expenditures</b>	<b>0</b>	<b>2,592,180</b>	<b>2,535,370</b>	<b>2,712,720</b>	<b>4.7%</b>
<b>PERSONNEL</b>					
Full-Time	0	23	23	22	-4.3%
Part-Time	0	1	1	1	—
Workyears	0.0	23.3	23.3	22.3	-4.3%
<b>REVENUES</b>					
New Home Builder License	0	171,500	171,500	200,000	16.6%
Consumer Affairs Business Licenses	0	59,890	59,890	69,200	15.5%
<b>County General Fund Revenues</b>	<b>0</b>	<b>231,390</b>	<b>231,390</b>	<b>269,200</b>	<b>16.3%</b>

## FY08 APPROVED CHANGES

	Expenditures	WYs
<b>COUNTY GENERAL FUND</b>		
<b>FY07 ORIGINAL APPROPRIATION</b>	<b>2,592,180</b>	<b>23.3</b>
<b>Other Adjustments (with no service impacts)</b>		
Increase Cost: General Wage and Service Increment Adjustments	95,280	0.0
Increase Cost: Personnel Cost Adjustment	47,360	0.0
Increase Cost: Retirement Rate Adjustment	21,360	0.0
Increase Cost: Other Compensation Adjustment	13,820	0.0
Increase Cost: Printing and Mail Adjustments	10,990	0.0
Increase Cost: Annualization of FY07 Personnel Costs	10,120	0.0
Increase Cost: Labor Contracts - Other	3,960	0.0
Decrease Cost: Technical Adjustment	0	-1.0
Decrease Cost: Professional Services for: building inspectors, construction specialists, conferences, and training programs [Consumer Protection]	-5,000	0.0
Decrease Cost: Printing/Central Duplicating Services and Bulk Mail/Postage Services [Consumer Protection]	-6,290	0.0
Decrease Cost: Group Insurance Rate Adjustment	-9,060	0.0
Decrease Cost: Elimination of One-Time Items Approved in FY07	-62,000	0.0
<b>FY08 APPROVED:</b>	<b>2,712,720</b>	<b>22.3</b>