
Consumer Protection

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 recommended 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. A total of 16.60 FTEs includes these positions as well as any seasonal, temporary, and positions charged to or from other departments or funds. Operating Expenses account for the remaining 6.6 percent of the FY14 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, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY13 estimates reflect funding based on the FY13 approved budget. The FY14 and FY15 figures are performance targets based on the FY14 recommended budget and funding for comparable service levels in FY15.

ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***After a lengthy investigation in collaboration with DTS' Cable Office involving Comcast, 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 continued to serve as the lead department in coordinating Montgomery County's intervention regarding electric utility cases before the Maryland Public Service Commission. 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 worth millions of dollars.***
- ❖ ***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.***
- ❖ ***In FY12, OCP began an interactive consumer education series that utilized an online forum to discuss consumer issues with the public. This interactive program was developed to address the latest topics affecting County residents. During the first 2-hour event, Director Eric Friedman fielded twenty-five inquiries with topics ranging from cell phone throttling to Pepco Smart Meters. Additional series topics include home improvement, towing, and common ownership community issues.***
- ❖ ***In partnership with Councilmember Nancy Floreen, the Office of Consumer Protection held a forum titled, "Improve Your Home Improvement Experience" to provide information from industry experts on how to select a home improvement contractor, permitting requirements for homeowners, and to address common scams.***

❖ **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. In FY12, OCP finished the first of a three stage process to consolidate 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 has maximized its consumer education outreach initiatives by utilizing a new interactive Live Discussion platform. OCP is able to reach a limitless audience, maximize resources, and address hot topics in real time.**
- **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 received a NACo Award for creating an electronic data base for its volunteer recruitment program.**
- **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.**

PROGRAM CONTACTS

Contact Marsha Carter of the Office of Consumer Protection at 240.777.3686 or Amy Wilson of the Office of Management and Budget at 240.777.2775 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.

Program Performance Measures	Actual FY11	Actual FY12	Estimated FY13	Target FY14	Target FY15
Restitution received as a percent of restitution asked for by the consumer	85%	85%	85%	85%	85%
Average Office of Consumer Protection (OCP) customer satisfaction rating - Manner in which the customer's case was handled (1-4 scale)	3.2	3.5	3.5	3.5	3.5
Average OCP customer satisfaction rating - Outcome of the customer's case (1-4 scale)	2.9	3.0	3.0	3.0	3.0
Average time in workdays to investigate and close a written complaint: (<\$100)	64	64	64	64	64
Average time in workdays to investigate and close a written complaint: (\$101 - \$1,000)	64	64	64	64	64
Average time in workdays to investigate and close a written complaint: (\$1,001 - \$5,000)	64	64	64	64	64

	Actual FY11	Actual FY12	Estimated FY13	Target FY14	Target FY15
Average time in work days to investigate and close a written complaint (>\$5,000)	64	64	64	64	64
Average time in workdays to investigate and close a written complaint: (\$NA)	64	64	64	64	64
Media Coverage - Percent of news releases receiving media coverage, including print news, television and radio	65%	65%	65%	65%	65%
Media Coverage - Number of times media outlets, including print news, television and radio, seek out OCP's expertise	24	24	24	24	24
Percent of OCP-initiated consumer protection cases closed that are resolved by OCP	72%	72%	72%	72%	72%

FY14 Recommended Changes	Expenditures	FTEs
FY13 Approved	1,893,512	14.10
Increase Cost: FY14 Compensation Adjustment	59,310	0.00
Increase Cost: Administrative Specialist to coordinate key programs and functions	49,445	0.60
Increase Cost: Retirement Adjustment	29,270	0.00
Increase Cost: Other Labor Contract Costs	3,736	0.00
Increase Cost: Printing and Mail Adjustment	857	0.00
Decrease Cost: Elimination of FY13 \$2,000 Lump Sum	-35,262	0.00
Decrease Cost: Group Insurance Adjustment	-36,545	0.00
Decrease Cost: Elimination of Energy Consultant Services	-50,000	0.00
Decrease Cost: Annualization of FY13 Personnel Costs	-54,707	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	11,198	0.00
FY14 CE Recommended	1,870,814	14.70

Commission on Common Ownership Communities

The OCP 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.

Program Performance Measures	Actual FY11	Actual FY12	Estimated FY13	Target FY14	Target FY15
Percent of Commission on Common Ownership Communities (CCOC) cases resolved prior to a hearing	65%	65%	65%	65%	65%

FY14 Recommended Changes	Expenditures	FTEs
FY13 Approved	289,100	1.90
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	-11,198	0.00
FY14 CE Recommended	277,902	1.90

BUDGET SUMMARY

	Actual FY12	Budget FY13	Estimated FY13	Recommended FY14	% Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	1,324,429	1,370,636	1,349,813	1,371,964	0.1%
Employee Benefits	590,833	621,626	647,167	635,545	2.2%
County General Fund Personnel Costs	1,915,262	1,992,262	1,996,980	2,007,509	0.8%
Operating Expenses	92,319	190,350	177,207	141,207	-25.8%
Capital Outlay	0	0	0	0	—
County General Fund Expenditures	2,007,581	2,182,612	2,174,187	2,148,716	-1.6%
PERSONNEL					
Full-Time	16	17	17	17	—
Part-Time	0	0	0	1	—
FTEs	14.50	16.00	16.00	16.60	3.8%
REVENUES					
Common Ownership Community Fees	0	405,500	405,500	405,500	—
Miscellaneous Revenues	1,066	0	0	0	—
New Home Builder's License	127,185	134,000	134,000	134,000	—
Other Charges/Fees	105	0	0	0	—
Other Fines/Forfeitures	4,245	1,000	1,000	1,000	—
Other Licenses/Permits	62,388	55,000	55,000	55,000	—
County General Fund Revenues	194,989	595,500	595,500	595,500	—

FY14 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY13 ORIGINAL APPROPRIATION	2,182,612	16.00
Other Adjustments (with no service impacts)		
Increase Cost: FY14 Compensation Adjustment [Consumer Protection]	59,310	0.00
Increase Cost: Administrative Specialist to coordinate key programs and functions [Consumer Protection]	49,445	0.60
Increase Cost: Retirement Adjustment [Consumer Protection]	29,270	0.00
Increase Cost: Other Labor Contract Costs [Consumer Protection]	3,736	0.00
Increase Cost: Printing and Mail Adjustment [Consumer Protection]	857	0.00
Decrease Cost: Elimination of FY13 \$2,000 Lump Sum [Consumer Protection]	-35,262	0.00
Decrease Cost: Group Insurance Adjustment [Consumer Protection]	-36,545	0.00
Decrease Cost: Elimination of Energy Consultant Services [Consumer Protection]	-50,000	0.00
Decrease Cost: Annualization of FY13 Personnel Costs [Consumer Protection]	-54,707	0.00
FY14 RECOMMENDED:	2,148,716	16.60

PROGRAM SUMMARY

Program Name	FY13 Approved		FY14 Recommended	
	Expenditures	FTEs	Expenditures	FTEs
Consumer Protection	1,893,512	14.10	1,870,814	14.70
Commission on Common Ownership Communities	289,100	1.90	277,902	1.90
Total	2,182,612	16.00	2,148,716	16.60

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY13		FY14	
		Total\$	FTEs	Total\$	FTEs
COUNTY GENERAL FUND					
Fire and Rescue Service	Fire	76,420	1.00	77,874	1.00

FUTURE FISCAL IMPACTS

Title	CE REC. FY14	FY15	FY16	(\$000's) FY17	FY18	FY19
This table is intended to present significant future fiscal impacts of the department's programs.						
COUNTY GENERAL FUND						
Expenditures						
FY14 Recommended	2,149	2,149	2,149	2,149	2,149	2,149
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	79	98	98	98	98
These figures represent the estimated cost of general wage adjustments, new service increments, and associated benefits.						
Labor Contracts - Other	0	0	-4	-4	-4	-4
These figures represent other negotiated items included in the labor agreements.						
Subtotal Expenditures	2,149	2,227	2,243	2,243	2,243	2,243

