



**Consumer Federation of America**

# **2018 Consumer Complaint Survey Report**

**July 30, 2019**

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# Consumer Federation of America

## 2018 Consumer Complaint Survey Report

### July 30, 2019

#### Introduction

**Consumer Federation of America**<sup>1</sup> conducts an annual survey of city, county and state consumer agencies across the country to ask about the complaints they received in the previous year. Thirty-five agencies from across the country participated in this year's survey, which provides a snapshot of the most common, fastest-growing, worst, and newest problems consumers reported in 2018.

These agencies handle complaints from consumers on a wide range of topics, from auto sales to travel companies. Some also accept complaints from businesses. Unlike most federal agencies, state and local consumer agencies usually mediate complaints informally. Many also have the power to enforce the law through administrative procedures, civil action and/or criminal prosecution.

These agencies are the first line of defense for consumers, righting individual wrongs, stopping abusive practices in the marketplace, and recouping people's money or saving them from paying unjust charges. The "Real World Complaints" and "Biggest Achievements" sections of this report provide many examples of the complaints these agencies receive and describe how they try to resolve them.

Just as importantly, state and local consumer agencies help consumers and businesses avoid problems by educating them about their rights and responsibilities. They are constantly striving to find innovative ways to reach the public and to make their operations more accessible, more efficient, and more effective. These efforts are highlighted in "Biggest Achievements."

In "New Consumer Protections" there are examples of new laws, regulations and ordinances that were enacted in some locales last year to better protect the public. Many consumer issues are not covered by federal law, including some of the top areas of complaints to state and local agencies such as auto repairs, home improvement, and landlord/tenant. Even when there is overlapping federal jurisdiction, state and local governments are often quicker to enact new consumer protections than Congress and federal agencies, and quicker to act when there are violations. This report illustrates why city, county and state laws are essential elements of the consumer protection framework in the United States.

Also essential are the agencies at the state and local level that work to ensure that consumers are treated fairly. For one-on-one advice or help solving problems with a business, "Who you gonna call?" It's your state or local consumer agency. These offices provide the easily-accessible information and assistance that people need when the roofer has left the job half-done, the newly-purchased used car has broken down a few miles from the dealer's lot, or the elderly couple realize that they may have just become victims of the "grandparent scam." They improve the quality of life in their communities and tangibly demonstrate how government serves the public good.

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<sup>1</sup> *Consumer Federation of America is an association of over 250 non-profit consumer groups that was established in 1968 to advance the consumer interest through research, advocacy, and education.*

## Key Findings

- **The 35 agencies participating in this survey collectively received 1,148,848 complaints last year.** This does not include contacts from consumers or businesses asking for advice or information.
- **The money that these agencies recovered/saved for consumers last year came to a total of \$106,863,694.** This figure likely understates the full amount. Some agencies only provided us with the figures that resulted from mediation, some only provided the amounts of restitution or billing adjustments that resulted from enforcement actions, some combined both, and some agencies included the results of administrative actions, arbitration and guaranty funds.
- **As usual, auto and home improvement/construction were the top complaints.** These problems often involve significant amounts of money and cause great inconvenience, so consumers are more likely to report them and seek help.
- **Home improvement/construction also topped the list of worst complaints.** The financial loss that consumers suffer when they pay for work that is shoddy, incomplete, or never performed is bad enough, but these problems can also make their homes unlivable and cause emotional distress. Problems with services and fraud were also among the top worst complaints.
- **Fastest-growing.** The top three fastest-growing complaints last year were about fraud, medical billing problems, and retail sales. Fraud can have a devastating financial impact on victims, especially when older people lose their life savings to scammers. For people of all ages, however, even a relatively small fraud loss can have a major impact on their finances.
- **New consumer problems.** New issues are constantly arising at state and local consumer agencies. The survey report provides stories to illustrate many of them. For instance: a surrogate birth service that took consumers' money and provided no services, a home companion service that may have taken inappropriate advantage of a power of attorney, healthcare sharing groups rejecting claims that members believed were covered, use of social media platforms such as Facebook to solicit consumers for products, a fraudulent mold inspector, and a consumer who bought a drone without realizing that it could not be legally used in his neighborhood.
- **New consumer protections.** We asked state and local consumer agencies about new laws, regulations or ordinances that were enacted in their jurisdictions last year to better protect consumers. The examples they provided included new consumer protections in regard to reverse mortgages, online ticket resellers, roofing contractors acting as insurance adjusters, collecting debts from families of deceased people, predatory used car sales, and homeowners associations. These measures illustrate the important role that city, county and state governments play in setting public policies to protect their residents from fraud and abuse.
- **Biggest achievements.** We also asked state and local consumer agencies about their "biggest achievements" in 2018 in resolving consumer complaints, improving their operations, and public outreach. Their responses demonstrate how they constantly strive to find innovative ways to solve consumers' problems (researching tribal law, for instance, to challenge a usurious payday loan from a tribal-affiliated lender), work more efficiently, and provide consumers and businesses with the information they need about their rights and responsibilities.

## Top Ten Complaints in 2018

These are the top complaints that were reported to state and local consumer agencies last year based on the CFA survey. Last year we created a new category for communications, separate from complaints about utilities.

1. **Auto:** Misrepresentations in advertising or sales of new and used cars, lemons, faulty repairs, auto leasing, rentals, and towing disputes.
2. **Home Improvement/Construction:** Shoddy work, failure to start or complete the job.
3. **Retail Sales:** False advertising and other deceptive practices, defective merchandise, problems with rebates, coupons, gift cards and gift certificates, failure to deliver.
4. **Services:** Misrepresentations, shoddy work, failure to have required licenses, failure to perform.
5. **(Tie) Landlord/Tenant:** Unhealthy or unsafe conditions, failure to make repairs or provide promised amenities, deposit and rent disputes, illegal eviction tactics; **Utilities:** Complaints about gas, electric, water and cable billing and service.
6. **Health Products/Services:** Misleading claims, unlicensed practitioners, failure to deliver, medical billing issues.
7. **(Tie) Credit/Debt:** Billing and fee disputes, mortgage modifications and mortgage-related fraud, credit repair, debt relief services, predatory lending, illegal or abusive debt collection tactics; **Communications:** Misleading offers, installation issues, service problems, billing disputes with telephone and internet services.
8. **Internet Sales:** Misrepresentations or other deceptive practices, failure to deliver online purchases.
9. **Home Solicitations:** Misrepresentations, abusive sales practices, and failure to deliver in door-to-door, telemarketing or mail solicitations, do-not-call violations
10. **(Tie) Household Goods:** Misrepresentations, failure to deliver, faulty repairs in connection with furniture or appliances; **Fraud:** Bogus sweepstakes and lotteries, work-at-home schemes, grant offers, fake check scams, imposter scams and other common frauds.

This ranking is based on the topics that appeared most frequently when we asked the state and local consumer agencies we surveyed to list the top ten complaints they received last year. We did not conduct a random survey of consumers, nor did we survey consumer agencies that only take complaints in one subject area, such as banking or insurance. See **Methodology** for further details.

All of the consumer agencies that participated in the survey are listed in **Appendix A**. Examples of complaints from many of those agencies can be found in the **Real World Complaints** and **Biggest Achievements** sections of this report. Relevant tips for consumers are provided throughout the report and compiled in **Appendix B**.

## Fastest-Growing Complaints in 2018

The three fastest-growing complaints most frequently cited by the state and local consumer protection agencies we surveyed were:

- 1. Fraud**
- 2. Medical billing**
- 3. Retail**

Fraud can have a devastating financial impact on victims, especially when older people lose their life savings to scammers. For people of all ages, however, even a relatively small fraud loss can have serious impacts on their finances. Imposter scams in which con artists impersonate employees of the IRS, Social Security Administration, the local sheriff's office or other government agencies continue to be prevalent.

Medical billing problems can arise for many reasons: consumers may have incorrectly thought that services would be covered by insurance, or have been misled about coverage; consumers may not have realized what the cost would be for services; a mistake may have been made somewhere in the system; or consumers may have been deliberately mischarged. Resolving these problems can be frustrating because the terminology is complex and consumers are often bounced between insurance companies, health care providers, and debt collectors. Meanwhile, they may not be able to get the care they need.

Complaints about retail sales run the gamut from high-pressure sales to defective merchandise, wrong orders to disputes about return and refund policies. One of the biggest problems is when businesses abruptly close, leaving consumers without the merchandise they ordered, or unable to use gift cards, or without the belongings they entrusted to the business. These situations can cause sudden surges of complaints to state and local agencies, and it isn't always possible to resolve them.

Other complaints that agencies mentioned as fastest-growing concerned auto sales, car rentals, fraud, home improvement, homeowners associations, identity theft, internet sales, landlord/tenant, mobile homes, moving and storage, new home builders, robocalls, services, solar sales, towing, and travel.

## Worst Complaints in 2018

CFA asked state and local agencies about the worst complaints they received last year based on the number of complaints about a particular topic or company, the dollar amount involved, the impact on vulnerable consumers, or the sheer outrageousness of the situation. The three complaints most frequently described as the worst in 2018 were:

- 1. Home Improvement/Construction**
- 2. Services**
- 3. Fraud**

Home improvement and construction problems often involve significant amounts of money, but when the work is shoddy, incomplete, or never performed it can cause more than financial loss – it can jeopardize safety and even make homes unlivable. It can also cause emotional distress.

Some of the worst complaints about services involve immigration consultants who are not qualified to assist would-be immigrants or do nothing to help them at all.

Other “worst complaints” that agencies cited were about debt collection, do not call violations, landlord/tenant issues, price gouging, timeshares, and towing.

## New Consumer Problems in 2018

State and local consumer agencies are constantly hearing about new problems, and new variations of old problems. Here are the ones that were mentioned in this year's survey responses. They illustrate the wide range of issues that consumers, and the agencies that try to help them, confront:

- Inaccurate or incomplete third-party reports on the histories of used cars (see page 12).
- Consumers being asked to pay scammers by sending them cash between the pages of magazines.
- A language school closing (see page 38).
- Healthcare sharing groups (see page 20).
- Energy efficiency work financed under the PACE program (see page 23).
- Extended warranties added without consent to car purchase contracts.
- Surrogate birth services (see page 39)
- Purchases solicited through social media (see page 30).
- A consignment store closing with consumers' unsold property inside (see page 35).
- Roofing contractors masquerading as insurance adjusters (see page 25).
- A fraudulent mold inspector (see page 24).
- Bed bugs in short-term apartment rentals (see page 40).
- Webcam extortion scams.
- Drone use restrictions (see page 35).
- Fake vacation rentals.
- Crowdfunding promises not kept (see page 30).
- Misleading online ticket sales (see page 30).
- Home companion services abusing powers of attorney (see page 38).

## New Consumer Protections in 2018

We asked state and local consumer agencies about new laws, regulations or ordinances that were enacted in their jurisdictions last year to better protect consumers. These examples demonstrate the important role that city, county and state governments play in setting public policies to protect their residents from fraud and abuses in the marketplace.

### ***California***

To address the impact of rising rents on the stock of affordable housing, the Los Angeles County Board of Supervisors enacted a temporary rent stabilization ordinance last year. It includes an annual cap of three percent on rent increases and a provision requiring just cause for evictions. There is also a temporary moratorium on rent increases exceeding three percent for some mobile homes.

### ***Connecticut***

Connecticut passed a new law that protects consumers in reverse mortgages. It precludes lenders from accepting applications for reverse mortgages unless they have informed the borrowers of the requirement under federal regulations to speak with a housing counselor and have provided them with a list of counseling agencies approved by the U.S. Department of Housing and Urban Development. This is intended to ensure that borrowers are fully aware of how reverse mortgages work, including equity depletion, limits on the amount that can be borrowed, and costs.

### ***District of Columbia***

Though it did not pass last year, legislation has been reintroduced in the District of Columbia to better protect consumers in regard to funeral services. It would require the attorney general to convene a working group, which would include industry representation, to create a “Funeral Bill of Rights” designed to inform consumers about required price disclosures and other rights. Importantly, it would require funeral homes to make their prices available on their websites (currently federal rules only mandate that itemized prices be provided if the consumer calls or visits the funeral home), and it would also require them to provide receipts for any services provided through third parties.

### ***Florida***

Florida enacted the Government Imposter and Deceptive Advertising Act to protect individuals and businesses from being defrauded by companies that sell free government forms or that pretend that they are government agencies. It prohibits using mail, email or websites to offer government forms for sale without prominently stating that they are free directly from the government and providing the phone number of the agency from which to obtain them. It also prohibits sending or posting online anything that simulates a court summons, jury notice or other judicial document and falsely representing that a company or offer is in any way associated with or approved by a government entity.

Another law passed in Florida last year prohibits charitable organizations and fundraisers from comingling donations with non-charitable funds to provide better transparency and accountability, and protect the money from misuse.

Hillsborough County in Florida enacted new ordinances regulating bathhouses and massage establishments and towing (more information is in Biggest Achievements, page 44).

### ***Maryland***

The Maryland legislature passed the Financial Consumer Protection Act of 2018, which expands the definition of “unfair and deceptive trade practice” to also include “abusive” practices and violations of the federal military lending act, lowers the threshold for loans to be subject to state law, increases civil penalties, protects consumers from unlicensed debt collectors, creates a Student Loan Ombudsman in the state office of financial regulation, and requires that office to study whether it has the authority to regulate Fintech firms and cryptocurrency. It also entitles individuals to freeze their credit reports and lift the freezes whenever they wish free of charge to protect themselves from identity theft. Last year Congress also passed a law providing all individuals the right to free credit freezes.

### ***Massachusetts***

Massachusetts also enacted a free credit freeze law. In addition it requires credit reporting agencies and other businesses that experience data breaches to provide free credit monitoring to affected individuals in the state and improves consumer notifications of data breaches.



### ***New Mexico***

In an effort to address abusive practices by roofing repair companies that go door-to-door after storms offering their services, New Mexico passed a law prohibiting them from acting as agents for homeowners in dealing with insurance claims for the work that their contractors would be performing.

### ***New York***

New York City implemented new regulations last year to protect consumers from predatory practices in used car sales. The rules require dealers to provide certain financing disclosures, clarify the contract cancellation options that dealers offer to consumers, create a consumer bill of rights that dealers must display, and clarify the requirements for record-keeping. In addition, information provided to consumers must be in the language in which the transaction was negotiated to ensure they are aware of their financing options and understand the terms of the contract.

A new state law enacted in New York last year addresses debt collections against deceased individuals and their families. If a person dies with an outstanding debt, collection agencies seeking payment from next-of-kin or surviving family members must affirmatively inform them that they are not legally obligated to repay the debt. No principal creditors and/or debt collection agencies can make any representation that a person is required to pay the debt of a family member if it's not true.

### ***Ohio***

Cuyahoga County revamped its consumer protection code to give the Department of Consumer Affairs enforcement authority for the first time. The agency now has the power to issue cease and desist orders, require companies to make refunds to consumers, and issue fines to stop unfair and deceptive practices. It also makes weights and measures violations enforceable under the code.

The Ohio legislature closed a loophole in the state law on payday loans. The law had attempted to cap payday loan interest rates at 28 percent, but lenders found ways to circumvent it. The new amendment clarifies that any loans that meet the definition of a short-term loan, but that are issued by individuals who do not have the required license to make such loans, are void.

### ***South Carolina***

South Carolina enacted legislation last year to address issues with homeowners associations such as lack of transparency in board meetings, assessment of fees and fines, and homeowners' access to records. The law requires sellers to disclose to potential buyers that a home is governed by a homeowners association, gives Magistrate Courts jurisdiction over monetary disputes in homeowners associations, and requires the South Carolina Department of Consumer Affairs to collect data about problems with homeowners associations through its complaint process and produce an annual report.

### ***Utah***

Utah passed a law that requires online ticket resellers to make certain disclosures and prohibits them from representing, directly or indirectly, that they are the primary ticket sellers.

### ***Virginia***

The Fairfax County Department of Cable and Consumer Services made changes to the county towing code last year regarding applications for towing permits, tow storage lots, and the composition of the trespass towing advisory board. It also updated provisions for written contracts between property owners and tow companies, and added a new requirement for tow operators to contact the local animal control officer when they are towing vehicles with companion animals inside.

## Real-World Complaints and What Consumers Should Do

### Auto

#### **Florida**

The worst complaint to the **Broward County Environmental and Consumer Protection Division** last year came from a Georgia woman whose adult son had moved to Florida. Suffering from bipolar disorder and despondent about breaking up with his girlfriend, he purchased a Ford Mustang for \$7,000 down and monthly payments of \$571. His mother became concerned when he quickly got into trouble with the police for driving too fast. She provided the dealer with court documentation about her son's mental health issues and asked for the Mustang to be traded in for a less expensive, slower vehicle. After meeting with the son, the manager of the dealership told her that he had placed an additional \$4,000 deposit on a new truck and that the monthly payments would be \$862. The agency advised the mother to seek a judge's opinion about whether her son had the capacity to agree to the purchase.

*Since there is no automatic right to cancel a car purchase, resist pressure to sign on the dotted line immediately. Shop around to find the car that's best for you, at a price you can afford.*

**Pinellas County Consumer Protection** received a complaint from a man who bought a used truck. The sales employee asked the consumer for \$200 in cash for the tags to be processed and to make a check out to his name, not the business's, for the balance of \$2,300, and mail it to him at the dealership. The consumer complied, but several days later the employee called claiming the check had not arrived and threatening criminal action unless \$2,300 was wired to him immediately. It was, and the employee pocketed that money plus the original \$2,300 from the check which he had, in fact, received. He was criminally prosecuted, sentenced to 24 months of probation, and ordered to pay \$2,300 in restitution to the dealer and \$2,500 to the consumer.

*There is no valid reason why someone at a car dealership would ask you to pay cash for anything or to make out a check to a person's name rather than the business. Insist on a written contract that itemizes all the charges and shows all the payments you made.*

Auto rentals were the fastest-growing complaints to the **Hillsborough County Department of Consumer and Veterans Services** last year, chiefly because of problems with Executive Car Rental. Consumers alleged that the company charged them for damage to vehicles that they did not cause. In one case when a consumer returned his rental car, the attendant told him that he needed to fill out an accident report because the right front bumper was damaged. He hadn't examined the car when he took it three days earlier, but he was sure that he hadn't been in an accident and was convinced the scratches the attendant was pointing to must have been there before. \$500 was charged to his credit card for the damage. The company refused to accept his own insurance, insisting that he had to make a claim to the insurer it used. After receiving his complaint, an investigator for the agency requested that Executive provide him with the adjuster's report and photos of the damage. The report stated that it had been completed by an adjuster in Michigan and that the photos were taken there. That seemed very odd, as the car was used in Florida; in fact, in the photo the investigator recognized the rental car return lot at the Tampa, Florida airport. The adjuster's report also stated that there was damage to the right front suspension, which needed to be replaced. The business claimed that it used a Michigan body shop to make major repairs, but after being confronted by the fact that it would cost less to fix the car in Florida than to transport it to Michigan, it admitted that the vehicle had never left Florida. Another consumer said that he pointed out existing damage when he rented a car but that the attendant failed note it on the paperwork as he requested, so he took his own pictures of it. When he returned the car, the same attendant accused him of causing the damage – an accusation that was retracted when he showed the

manager the date and time-stamped photographs. As more complaints came in (a total of 28) it became apparent that multiple consumers were being charged for the same damage, without any repairs being made before the vehicles were rented again. The agency has been working with the **Florida Attorney General's Office** and the business owner to resolve these complaints.

*When you rent a car, inspect it carefully before leaving the lot and insist that any damage, even minor scratches or dents, be described on the rental agreement. Don't be intimidated into accepting responsibility for damage that did not occur while you had the car. If charges are made to your credit or debit card unjustly, contact the financial institution as soon as possible to contest them.*

### **New York**

An elderly consumer bought a seven-year-old car with more than 100,000 miles on it from a dealer who pressured her to finance the \$11,000 purchase price through it at an exorbitant interest rate of 24.89 percent. To make matters worse, the finance agreement contained several hidden fees, the most egregious of which was a \$5 fee added to the amount debited every month when she made her payments from her bank account via phone. After struggling for four years to keep up with her loan obligation and having paid more than \$22,000 on the loan, she fell into arrears and began to get calls from the loan company threatening repossession. Fortunately, she contacted the **New York State Division of Consumer Protection**, which was able to negotiate a low lump sum payment to stop the repossession and get her clear title of the vehicle.

*Need to borrow money to buy a car? The interest and other fees can add significantly to the total cost. Look into getting a loan from your bank or credit union. If you are financing the purchase through the dealer, read the agreement carefully to make sure it accurately reflects what you were told, and ask for any fees or add-on charges to be explained. If you're not satisfied or the cost is too high, walk away.*

### **Massachusetts**

A single mother purchased a vehicle after seeing the dealer's ad, which touted its quality, safety, and recent servicing. Just days later it broke down due to engine and transmission problems. The dealer refused to repair it or return her money, and there were too many miles on the vehicle for it to be covered by the state used car lemon law. When the woman said she would go to court, the dealer threatened that it would claim she had actually paid thousands less than the amount that appeared on the purchase agreement. Intimidated, it took months for her to get up the courage to ask the **Massachusetts Attorney General's Office** for help. After being confronted with the original advertisement and the woman's financial records, the dealer agreed to make a full refund. In the middle of that process, however, the car was towed because it was parked in violation of a winter storm street parking ban. The consumer, who had lost her job because she lacked transportation, couldn't afford to get it out of the impound lot or have it towed to the dealer. Through the agency's intervention the impound charges were cut in half and the dealer agreed to pay them and tow the vehicle back. The negotiations hit another snag, however, when the dealer accused the woman of damaging the vehicle's exterior. The consumer specialist pointed out that the same damage appeared in the photos of the car from the original advertisement. With that, the dealer finally capitulated and refunded all the money.

*Before you buy a used car from a dealer or an individual, get information about your rights and the seller's responsibilities from your state or local consumer protection agency.*

Another complaint to the **Massachusetts Attorney General's Office** (AGO) illustrates how vulnerable populations can be taken advantage of. A consumer with a cognitive disability was sold two vehicles when he only wanted to buy one. The second transaction occurred under the guise that the first vehicle would be picked up by the dealer at the consumer's house and then applied as a trade-in toward the

second vehicle. As a result of this false promise, the consumer stopped payment on the loan for the first vehicle and defaulted. The finance company repossessed it and wanted to hold the consumer liable for any remaining loan balance after it was sold at auction. The AGO learned the dealership had also misrepresented the man's income by stating that he made about \$4,000 more a month than he received in Social Security Income, his only source of income. The finance company, which had never verified the information, agreed to waive the balance of the loan and provide the consumer with a sum of money that would cover any tax liability he incurred as a result.

*Buying a car can be an overwhelming experience for anyone. Bring someone with you – a social worker, a friend, or someone else you trust – to help you navigate the process.*

A man brought his RV to a car dealer for an insurance estimate to repair some damage. The claim was settled, and the dealer told the man to have the insurance company issue the check directly to it. The work was supposed to take five weeks, but months went by and the dealer said it was having difficulty getting the needed parts. At some point the man took the RV to use, then returned it, but more time elapsed and after nearly a year the repairs still were not made, and the business would not give him the money. Once the **Consumer Assistance Office – Metro West** got involved, the dealer obtained the parts and performed the work.

*Vehicle repairs may take longer than expected if the shop can't get the parts or the mechanic discovers that additional work is needed. Keep in touch with the shop and make notes about the dates of each conversation, who you talked to, and what was said. You may want to check with parts suppliers, the manufacturer or another repair shop to ask if what you are being told makes sense. If you think that you're being strung along, ask your state or local consumer agency for help.*

The **Consumer Assistance Council** noted an uptick in complaints last year involving CARFAX reports that failed to provide the whole picture of the condition of used cars. In one case, the CARFAX report a dealer gave to the prospective buyer showed that the car had been in a minor accident, with no major damage. The consumer bought it on that basis. Later, when he went to trade it in to another dealer, he was told that a "structural damage report" had been added to the CARFAX report for the vehicle about a month after he purchased it. Since it indicated that there had been major damage from the accident, the new dealer declined to take the car in trade. The first dealer disclaimed any responsibility since it merely provided the information that was available at the time of the sale.

*While reports that CARFAX and other companies produce about vehicles' histories can be helpful, they may be incomplete and are no substitute for having a good mechanic thoroughly check out the used car you're considering before you decide whether to purchase it.*

### **Maryland**

The worst complaint to the **Maryland Attorney General's Office** last year was from a woman who went to the dealership where her recently-deceased husband had purchased his car to transfer the title to her name. She spoke only limited English, but the dealer was able to communicate with her in her native language. By law, the vehicle would have passed to her through the estate, but the dealer bought her out of the amount still owed on the car, then resold it to her and extended the loan by a year at a slightly lower interest rate. As a result, the woman became liable for almost \$10,000 more than she should have. The agency persuaded the dealer to pay the financing company the increase in debt that she incurred, leaving her with the correct amount left to pay.

*Get advice from a lawyer or an accountant before changing the terms of any finance agreement because of a death in the family or other personal circumstances.*

## **South Carolina**

Car sales were the top complaint to the **South Carolina Department of Consumer Affairs** last year. Some of the problems involved serious safety issues. In one complaint from 2018, the consumer had taken out a \$12,000 loan two years earlier to buy a used Acura. Within a week the consumer noticed problems with the power steering and finally had to pay to install a new steering shaft. Last year when the consumer was considering selling the vehicle, he discovered there was a recall related to the power steering that was dated before she made the purchase. The dealer argued it had no responsibility to review the car's recall history, but after the agency contacted the business, it agreed to pay off the \$7,587 remaining on the consumer's loan.

*You might have the right to return a car if the dealer concealed information about previous damage or other problems that could have affected your decision to buy it. Some states require dealers to repair cars with open recalls before selling them. Ask your state or local consumer protection agency for advice.*

## **New Mexico**

Sixteen consumers filed complaints with the **New Mexico Attorney General's Office** against a used car dealer who sold vehicles without being able to provide the title and registration documents. The dealer also accepted cars on consignment, sold them and failed to pay off the outstanding loans or give the money to the consignors. In one instance, a consumer pushed an inoperative car onto the dealer's lot, it was sold, and the buyer returned it because (not surprisingly) it wasn't working. The vehicle has since disappeared. Criminal prosecution is being considered.

*Thinking about trading in a car that you still owe money on? Since it's frequently cheaper to repair a car than to replace it, you might be better off financially if you wait until you can pay off your existing car loan before you buy another vehicle. But if you can't delay, get the dealer's promise to pay off the loan on your trade-in in writing and follow up with your lien holder within 30 days of signing the contract to confirm that the promise has been kept. If you're buying a used car, don't take it from the dealer's lot until you have all of the paperwork you need to register it in hand.*

## **Arkansas**

An elderly man was coerced into signing a financing contract for a new \$50,000 vehicle and trading in his old car, despite the fact that he could not afford the purchase, and it should have been clear to the dealer that he did not understand the terms of the agreement. With the help of his daughter, he made a complaint to the **Arkansas Attorney General's Office**, which convinced the dealer to unwind the sale, release him from the financing agreement, and return his trade-in.

In another case that the **Arkansas Attorney General's Office** mediated, a woman became concerned when she had not received her registration packet after buying a new car from a dealership. She was assured it would arrive in the mail, but then got a call from the dealer asking her to come back to sign a new contract. Reading it, she noticed that her bank was no longer listed as the lender and the interest rate was two points higher than before. She was told it was the best possible offer based on her credit report, though she had been pre-approved by her bank. Meanwhile, her trade-in had been sold. The dealer offered to cover the sales tax and provide a warranty valued at \$2,000 for the vehicle she bought, but finally agreed to unwind the sale and give her a check for \$11,000, the full value of her trade-in.

*If you're considering buying a car, shop around and don't commit to anything until you have read the contract and the finance agreement carefully to make sure you know the terms and cost of the deal. Don't be rushed or pressured, ask questions, and if there is anything you still don't understand, show the paperwork to someone you trust before you sign.*

## Ohio

After a consumer bought a used car he noticed that it had some problems; the headlights were coming out and the vehicle was out of alignment. He brought it to a mechanic and was advised that it had been in a serious wreck, despite the fact that he was given a vehicle report claiming that it was never in an accident. When the dealer refused to take it back, he complained to the **Ohio Attorney General's Office**. As a result of mediation, the dealer agreed to the vehicle's return, waived the remaining \$12,064 owed on it, and cleared the transaction from the consumer's credit record.

*Eyeing a used car? Get its previous history so you'll know what you're bargaining for. Most states participate in the National Motor Vehicle Administration, through which you can get information about the title, whether the mileage that shows on the odometer is accurate, and whether the car was previously declared a total wreck. Approved companies that sell car histories are listed at its website, [www.vehiclehistory.gov](http://www.vehiclehistory.gov). But be aware that not every problem may show up in these reports, so you should always bring the vehicle to a mechanic to be inspected before you sign on the dotted line.*

The worst complaint to the **Summit County Office of Consumer Affairs** last year was from a woman who purchased a used car from a well-known dealership. She also purchased three warranties, the cost of which were rolled into her bank loan. Over the next two+ years, whenever the consumer took the car in for repairs that should have been covered by the warranties, she was told that they were not. The agency discovered that the dealer never notified the warranty companies that the consumer purchased the coverage, and the dealer has refused to respond to the complaint.

*Extended warranties aren't usually worth the additional cost and don't provide much more protection than you already have under the warranty that comes with the car and your insurance coverage. If you are considering buying a used car without a warranty, as some states allow, ask your state or local consumer agency what your rights are if something goes wrong. And if you do buy a warranty, confirm with the warranty company that it has a record of that.*

## Communications

### Arkansas

An elderly woman went around in circles with a wireless phone carrier when she tried to cancel her service and return the mobile device within hours of purchase. Despite following the correct procedures and sending the documentation repeatedly, the company insisted that she owed \$136. The **Arkansas Attorney General's Office** helped her to get the bill and derogatory information on her credit report removed.

*Before you sign up for phone or internet service, read the terms carefully, including the cancellation policy. Should you decide later that you no longer want the service or equipment, take care to follow the instructions to cancel. Keep copies of everything and notes about conversations you have with company representatives, and get a receipt for any equipment you returned. If you are billed in error and can't resolve the problem, ask your state or local consumer agency for advice.*

### Virginia

A man was surprised to receive a telephone bill for international calls totaling \$1,234.25 and refused to pay it, contending that he hadn't made the calls. The service provider sent the bill for collections, at which point the man asked the **Fairfax County Department of Cable and Consumer Services** for help. The service provider confirmed that the calls had been made, and also noted that the man had been

initially offered a long-distance plan that included international calling but did not sign up for it. As a courtesy the service provider agreed to adjust the bill to \$124.62 and to place the man on a new plan that would enable him to make international calls much less expensively.

*Before you sign up for phone service, explore the different calling plans that the company offers. Get information from its website or its customer service about the costs and coverage so you can choose the plan that fits your calling needs and your wallet the best.*

## Credit/Debt

### **Montana**

Students who are having difficulty paying their loans are vulnerable to false promises of help. So, when a young woman in Montana received a call from Financial Protection Service, she fell for the high-pressure sales tactics and agreed to sign up for its student loan forgiveness program. She had misgivings, however, and contacted the **Montana Office of Consumer Protection and Victim Services**. The agency found that the program was fraudulent and obtained a \$10,500 refund for the consumer.

*If you're struggling to make the payments on your student loan, offers for "debt relief" are tempting. But beware of scammers that are ready to take your money and never provide the help they promised. This video from the Federal Trade Commission describes how student loan debt relief scams work:*

*<https://www.ftc.gov/news-events/audio-video/video/student-loan-debt-relief-scams>. The Consumer Financial Protection Bureau provides information about options for paying student loan debt, <https://www.consumerfinance.gov/paying-for-college/repay-student-debt/>, dealing with debt collection, <https://www.consumerfinance.gov/ask-cfpb/category-student-loans/debt-collection-and-rehabilitation/>, and programs that might help you, <https://www.consumerfinance.gov/ask-cfpb/what-is-public-service-loan-forgiveness-en-641/>.*

### **District of Columbia**

A student who withdrew from a university graduate program because he was unable to secure full tuition assistance was surprised when he received a bill anyway. He contacted the school and was assured that the mistake would be corrected. Sometime later, however, a debt collection company sent him a demand for \$10,327. When calling and writing to dispute the debt failed to resolve the matter, he asked the **District of Columbia Attorney General's Office** for help. The debt was zeroed out.

*Stand up for your right to question bills you think are incorrect or charges you feel are unfair. Don't be pressured to pay debts you don't owe.*

### **Georgia**

The worst complaints that the **Georgia Department of Law's Consumer Protection Division** dealt with last year involved debt collection. In one case, Williamson and McKeive, LLC and its owner were accused of threatening consumers with arrest or prison if they didn't pay alleged debts, falsely claiming that lawsuits would be filed against consumers, implying that company representatives were attorneys when they were not, divulging information about consumers' accounts to third parties, and failing to disclose that they were attempting to collect debts and that any information they obtained about consumers would be used for that purpose. The company entered into an Assurance of Voluntary Compliance requiring it to stop collections on 10,922 accounts, which amounted to more than \$8 million in purported debt, and turn them over to the agency so they can't be sold or collected on in the future. It must also pay a \$20,000 civil penalty and comply with state and federal law in the future. It will be monitored for five years and faces additional penalties if it fails to live up to the settlement. The agency

also settled similar charges last year with National Check Resolution, Inc. and its owner and manager.

*Under federal law, if you tell debt collectors, in writing, not to contact you again, they are not allowed to contact you further except to confirm they will stop contacting you, or to inform you that a specific action, like filing a lawsuit, will be taken. It's also illegal for debt collectors to call with annoying frequency, falsely say they're going to take legal action, use obscene language, threaten you with bodily harm, or reveal information about your debt to someone else. The Federal Trade Commission provides information about your debt collection rights at [www.consumer.ftc.gov/articles/0149-debt-collection](http://www.consumer.ftc.gov/articles/0149-debt-collection). You may also have rights under state law; check with your state or local consumer protection agency.*

### **New Mexico**

A paralegal misrepresenting herself as a lawyer and offering mortgage modification services convinced a disabled homeowner in New Mexico to sign over his property deed to her. The **New Mexico Attorney General's Office** is in the process of negotiating a resolution to the matter.

*Need help modifying your mortgage or avoiding foreclosure? For information about your options and assistance from the government go to [www.makinghomeaffordable.gov](http://www.makinghomeaffordable.gov). To talk to a housing counselor certified by the U.S. Department of Housing and Urban Development, call 888-995-4673, TTY 877-304-9707. These services are free. Your state or local consumer protection agency may also be able to help.*

Another mortgage-related complaint the **New Mexico Attorney General's Office** received last year was from a woman whose home had been severely damaged. Her insurance company issued the funds from her claim to her mortgage lender, but the loan was subsequently sold and the money, more than \$159,000, was transferred to the new loan servicer. The homeowner was given constantly changing stories about the status of the funds – at one point the loan servicer claimed that the problem was that she had failed to endorse the insurance check, even though it had been made out to the lender. With the agency's help the loan servicer finally admitted its error, and the homeowner received the funds.

*When loans are sold confusion can occur if the records that are transferred are incorrect or paperwork is lost. Keep copies of all documents and correspondence at hand in case there is any question about what you owe or funds that are owed to you.*

### **Massachusetts**

The **Massachusetts Attorney General's Office** resolved a case of mistaken identity when a law firm pursuing a debt against a man whose name is the same as his father except for a "Jr" mistakenly placed a lien on the father's property instead of his. After the consumer specialist researched the deed and provided the documentation about the rightful property owner to the firm, the lien was removed.

*If there is a mix-up about a debt because someone has a name similar to yours and your efforts to correct it aren't successful, ask your state or local consumer agency for help.*

### **Arkansas**

A small business owner filed a complaint with the **Arkansas Attorney General's Office** about a credit processing company that had been debiting its bank account for incorrect amounts. The debits continued even after the business cancelled the service and switched to another processor. Once the agency got involved the processor offered to refund 24 months of fees, more than \$4,000.

*Under federal law consumers have the right to dispute debits they did not authorize or that are for the wrong amount. While that law does not apply to businesses, it doesn't mean that that your company has no recourse if your account is debited incorrectly. If you can't resolve the problem, talk to your bank. Your state or local consumer agency may also be able to assist you.*



## Fraud

### **New Mexico**

In most cases, if you send money to scammers you'll never get it back. That was the sad outcome when a woman went to the **New Mexico Attorney General's Office** for help with a "romance scam." Her best friend in another state actually referred her to the agency because she was sending thousands of dollars to a man she met on the internet, who said he was an Army general. Since her deceased husband had been a high-ranking military officer, she felt a strong bond with the "general." She sat down with an investigator at the agency who explained how romance scams work and showed her information about the man on the internet that indicated he was not the person he claimed to be. Seemingly convinced, she left promising not to send him more money, but her friend called the investigator a few months later to say that she continued to do so, and the situation was now much worse. The women made arrangements to come to the agency together. By that time, the victim had lost her home and all of her money and was suicidal. The investigator convinced her to go to a nearby mental health facility. It was impossible to retrieve any of her money and she ultimately moved in with her friend.

*Online dating sites, social media sites and other forums on the internet make it possible to meet people from all over the world. But they're also places where scammers lurk, waiting for someone to come along who wants to be friends – or maybe something more – and building a fake relationship with the person until the time is ripe to ask for money. Once you've sent the cash, you can kiss it, and your "sweetie," goodbye. More information about these scams is at [http://www.fraud.org/sweetheart\\_swindles](http://www.fraud.org/sweetheart_swindles).*

### **Ohio**

After a woman broke up with her boyfriend, she was surfing the internet when she came across a website offering love spells and potions. She began communicating with a "psychic" through the site who eventually conned her into spending \$8,000, which she sent through Western Union and PayPal. She never got her boyfriend back. At the urging of the **Cuyahoga County Department of Consumer Affairs**, she filed disputes with Western Union and PayPal in an effort to get her money back. PayPal allowed her to dispute some of the payments but not others that she had marked, on the advice of the psychic, as "send money to a relative." The psychic apparently did not see the PayPal disputes coming, and she was so incensed, she called the woman and threatened to tell her ex about their conversations. Unfortunately, it was too late to retrieve the money sent through Western Union.

*Using a money transfer service such as Western Union is like putting cash in an envelope and mailing it to someone. That's why it's one of the preferred payment methods for fraudsters. They pick the money up quickly, in cash, often using phony identification, making it impossible to trace them. Only use these services to send money to people you know personally. And if you're asked to use PayPal and lie about your relationship with the recipient, don't do it! If you've been duped into sending a fraudster money through any kind of payment service, contact it immediately to ask if anything can be done to help you.*

Another story from the **Cuyahoga Department of Consumer Affairs** was submitted under the "worst complaint" category, but it has a happy ending. A couple had just buried their son the day before a scammer called them claiming to be a public defender trying to help their grandson, whom she referenced by name. She said the young man was in jail after hitting a police car while texting and driving. To reinforce the bogus story, she put a man on the line who was sobbing so hard that the couple could not make out what he was saying. She told them that she could clear up the mess if they gave her \$4,000 to pay the fines, and the quickest way to do that was by purchasing gift cards from a nearby big box store and giving her the numbers off of them. The couple rushed off to the store. But the cashier, on hearing their story, told them she was sure the call was a scam. She even showed them a warning from

the agency about this kind of fraud. The grandfather, livid, insisted that she sell them the gift cards. The couple raced home and called the scammer with the numbers. But an hour later he called back and said the numbers weren't working. The grandfather angrily drove back to the store, while his wife stayed behind. She phoned relatives and discovered that her grandson was fine. She reached her husband on his cell phone at the store. He apologized to the cashier, but she said it was OK. He hadn't lost his money, because she was so sure it was a scam that she only pretended to ring up the purchase. That's why the gift cards were useless to the scammer.

*Gift cards are increasingly popular with scammers. As with money transfers, they're like cash. With the numbers from the cards people can make purchases or sell them to others to use. No one would legitimately ask you to buy gift cards to pay fines, legal fees, taxes, or for any other purpose.*

The **Ohio Attorney General's Office** had a particularly notable success last year when a woman who the agency investigated for fraudulent activities was sentenced to 18 months in prison. She took advantage of friends and acquaintances, claiming that she had a serious illness or was about to lose her home and asking them to loan her money. Her motive was apparently love – she was a victim of a romance scam, and instead of paying the people back as she promised, she wired the money overseas to a man with whom she was communicating online. She was ordered to pay \$641,908 in restitution to the victims, who were in Ohio and West Virginia.

*While many scams begin with an email, an online posting, or a phone call from a stranger, it's also wise to be wary if someone you know asks for money. It could ruin a friendship, and leave a hole in your wallet, if the person doesn't pay you back. Also watch out for "affinity fraud," where someone uses a common bond such as religion, race, or country of origin to solicit funds or promote a money-making opportunity. To learn more, go to <https://www.consumer.ftc.gov/blog/2013/06/strange-affinity>.*

### **Montana**

An elderly Montana woman received a call from someone seeking to reach her roommate to tell her that she'd won a sweepstakes. When she said that her roommate had passed away, the caller insisted that she would be eligible to receive the \$950,000 cash prize. All she had to do was send a money order for \$725 via overnight mail. This was just a set-up for the next step, as the person called back to say that she needed to send \$5,000 more. Now suspicious, the woman contacted the **Montana Office of Consumer Protection and Victim Services**. The agency reached out to the local Postal Inspector, who was able to intercept the package with her money order before it could reach the scammer.

*Crooks take advantage of human nature – who wouldn't be excited to be told that they've won a lottery or sweepstakes? But if you'd really won, you wouldn't be asked to send money for taxes, (which would automatically be deducted), processing fees, or anything else. That's a clear sign of fraud, and if you take the bait, you'll be hit up for more and more money until you have nothing left.*

### **Arkansas**

The "jury duty scam" is one of several "imposter" frauds in which people claiming to be from a government agency or law enforcement try to scare consumers into sending them money. One complaint to the **Arkansas Attorney General's Office** was from an older man who purchased four One Vanilla prepaid cards, totaling \$1,200, after receiving a call threatening him with arrest for missing jury duty. The agency contacted the prepaid card company and was able to get his money refunded.

*No one – not the sheriff's department, not the police, not someone at the courthouse, is legitimately calling people demanding money for missing jury duty and threatening them with jail if they don't pay. And if you do owe money for fines, child support or to comply with other legal obligations, you won't be*

*asked to pay with gift cards, prepaid cards, or by using money transfer services. If you get this type of call, hang up and contact the office that the person claimed to represent to report the scam.*

The worst consumer problems reported to the **Arkansas Attorney General's Office** last year were about “tech support scams.” A 91-year-old man who searched on the internet for assistance with his computer ended up paying a fraudulent company a total of \$91,490 over the course of two years. He never got his money back. Another man found a company online that portrayed itself as Microsoft and sold him software for \$399 to correct a computer issue. It was not Microsoft, and the software injected a virus in his computer, forcing him to buy a new one. The agency was able to get his \$399 refunded.

*Text support scammers advertise online and also solicit victims by phone and email. Often pretending to be from well-known companies, they ask for money but don't do any work. They may claim that there is a problem with your computer when there isn't, and even worse, they may cause a problem with your computer and then demand money to fix it. If you need computer help, find a local vendor. Never let anyone who contacts you out of the blue have access to your computer. If while browsing on the internet, you receive a pop-up window warning you that your computer is infected or there is an “error” and you must call a number or click a link for tech support help, press Control+Alt+Delete, and use the Task Manager to close out the pop-up window. Do not click a link, call the number listed or attempt to use the “X” in the corner to close the pop-up. Learn about the “tech support scam” at <https://www.consumer.ftc.gov/articles/0346-tech-support-scams>.*

## Health Products/Services

### **Virginia**

A woman was getting a facial at a salon and mentioned that she was going to be having eyelid surgery. As an alternative to surgery, the beautician talked her into buying a device that uses LED light and heat to stimulate the underlying layers of skin. After spending a total of \$7,900 for the device and other products, the woman had a serious case of buyer's remorse and attempted to return them. The salon refused to refund her money. When the **Fairfax County Department of Cable and Consumer Services** was unable to get the parties to agree to a resolution, it suggested that they submit to binding arbitration, which the agency provides. The hearing was conducted by a three-member panel selected by the consumer and the business. It ordered the consumer to return the device and the business to issue a refund in the amount of \$3,918.

*If you're considering buying expensive health or beauty products, ask friends if they have used them and do some research through review sites to help you determine if they work as claimed and are worth the cost. Also check the vendor's return policy, as you may not be able to change your mind after purchase.*

The **Fairfax County Department of Cable and Consumer Services** received a spate of complaints last year against local hospitals that billed consumers for more than they should have or for services for which they had already paid. As a result of the agency's interventions the hospitals returned more than \$2,600 to consumers.

*Sometimes health care providers and insurance companies make mistakes, resulting in charges that you shouldn't have to pay. When a bill is submitted to your insurance company you will receive an Explanation of Benefits (EOB) that itemizes the charges and shows what the insurance will pay and what is your responsibility. If you have questions about an EOB or a bill for health care services, contact the company that sent it to you immediately. Your state or local consumer agency may be able to help if you can't resolve the matter.*

## **Utah**

Complaints about health clubs were among the fastest-growing to the **Utah Division of Consumer Protection** last year largely due to a gym that closed, leaving consumers who had prepaid out in the cold. The agency was able to obtain money from a bond to make restitution to 26 consumers totaling \$3,798.

*Using a credit card is the best way to pay for goods or services in advance of receiving them because you have the legal right to dispute the charges if you don't get what you were promised. Some states require health clubs to post bonds to protect consumers, but there is no guarantee that the bonds will be enough to cover all claims. Finding a health club that allows you to "pay as you go" may be the safest bet.*

## **Georgia**

The **Georgia Department of Law's Consumer Protection Division** received a new type of complaint last year, problems with "healthcare sharing ministries." These are faith-based non-profit organizations that pool members' money to share medical expenses. They serve as an alternative to health insurance, although they are not insurance providers, are largely unregulated and typically have more limited coverage and benefits since they are not required to comply with the Affordable Care Act. (For example, they are not required to cover pre-existing conditions.) The complaints to the agency generally involved claims being denied for medical procedures that members had been told would be covered.

*Get details of your health insurance coverage in writing. If you believe that your claim was wrongly denied, follow the procedures described in the policy for disputing the decision. Your state insurance department or state or local consumer agency may be able to help if you can't resolve the issue.*

## **California**

Obtaining and maintaining health care can be a special challenge for immigrants to the United States. The U.S. Department of Homeland Security has proposed changing the rules regarding "public charges" – that is, people who are primarily dependent on government support – to include immigrants who use certain government programs. This could affect people who want to come to this country and those who are already here who need assistance for healthcare. Though the proposal has not been finalized, it has caused confusion and concern. For example, a man asked the **Office of Immigrant Affairs** within the **Los Angeles County Department and Business Affairs** if he should drop out of the Medi-Cal program through which he and his husband receive life-saving prescription drugs because he did not want to jeopardize the renewal of his Green Card. The counselor convinced him to continue his coverage and assured him that he would be eligible for county healthcare assistance regardless of his legal status.

*Immigrants should only seek advice from lawyers and trusted organizations since there are many fraudulent "immigration services" that will charge them and provide little or no real help. Information about the proposed Public Charge Rule changes is available from the National Immigration Law Center (NILC) at <https://www.nilc.org/issues/economic-support/pubcharge/proposed-changes-to-public-charge-rule-faq/#02>. The NILC also provides links to legal assistance and other resources.*

## **Massachusetts**

An older woman who has required hearing aids her entire life purchased new ones from a local vendor but was unhappy with them because she was experiencing disturbing hissing sounds and static. The vendor denied that they were defective and tried to persuade her to buy another pair for \$2,500. Frustrated and in dire need of functioning hearing aids, the woman turned to the **Consumer Assistance**

**Council** for help. After difficult negotiations and under threat of being reported to the state agency for the hard of hearing, the vendor agreed to replace the hearing aids.

*Hearing aids are expensive so it's a good idea to do some research before you make your purchase. Check the seller's reputation, ask if you can try the hearing aids out for a period of time, get information about the warranty, and find out if loaners will be provided in case repairs are needed. For more tips on buying hearing aids, go to <https://www.consumer.ftc.gov/blog/2017/06/tips-buying-hearing-aid>.*

### **Florida**

A seasonal resident of Florida hired a personal trainer at a local gym. She signed a contract for \$440 per month with the understanding that she would only be there part of the year and if she signed a form 30 days prior to leaving, her account would be suspended, to be activated again on her return. Before leaving in the spring, she dutifully filled out the form. Three months later she discovered that the gym had continued to charge her, however. When she disputed the charges, which were \$1,320 at that point, the manager only offered her \$440, contending that she hadn't caught the charges in time to get the rest back and that there was an additional form she should have filled out to stop them. **Pinellas County Consumer Protection** convinced the manager to make a full refund.

*When you join a health club or gym, you should get a copy of the agreement that spells out the terms and cost. Don't rely on what an employee says about your ability to cancel and other things – if it's not in the contract it may be hard to prove promises that were made or hold the company to them.*

### **Home Improvement/Construction**

#### **Connecticut**

For the **Connecticut Department of Consumer Protection**, the issue that continues to cause the most financial hardship for consumers is crumbling foundations in some homes that were built in the eastern part of the state. The agency's investigation, which closed in early 2016, determined that the presence of the mineral pyrrhotite in the concrete aggregate used in the foundations is a factor in the cracking. While the state attorney general concluded that there were no grounds for action against the company that owns the quarry where the aggregate originated under the Connecticut Unfair Trade Practices Act, the company has signed an Assurance of Voluntary Compliance promising not to pour new residential foundations at this time. The Department of Consumer Protection is still collecting complaints to provide those who are working to remedy the problems, including government agencies, legislators, financial institutions, and nonprofit organizations, a clear scope of how many homes are affected. There are over 800 complaints and the number continues to grow. Connecticut enacted legislation to place a small surcharge on homeowners' insurance policies, the proceeds of which go to a Healthy Homes Fund to help these families, and claims are now being processed. The most up-to-date information about resources for homeowners can be found on the Connecticut Department of Housing's website, <https://portal.ct.gov/DOH/DOH/Programs/Crumbling-Foundations>.

*Some construction problems can take years to become evident. Even if your warranty has expired, you should contact the contractor as soon as you discover the problems. Take pictures and keep notes as documentation. If the issue is faulty materials, it's likely that other homeowners are having the same problem. Report it to your state or local consumer agency, and ask for advice about next steps.*

#### **Maryland**

The worst complaint to the **Montgomery County Office of Consumer Protection** last year began when an immigrant who needed more space for his family met a man who owned a construction company and

hired him to add a second story on his home. There was no written contract, and no structural engineer. The contractor asked an interior designer, who was not an architect, to draw up the plans and pull the building permit in the homeowner's name. After the consumer paid the agreed-on price, \$180,000, in a series of checks, the contractor asked for \$10,000 more, which he got. When he asked for still more, the homeowner refused. The contractor walked off the job and fled the country. The agency has filed criminal charges should he return to his home in neighboring Virginia.

*Pay only a small deposit when you contract for home improvement work; some state laws limit the percentage of the total price that can be requested upfront. Get a written contract that sets out the work and payment schedule. Payments should be proportionate to the work done and the supplies that have been ordered.*

Another construction problem the **Montgomery County Office of Consumer Protection** handled last year involved two new housing developments where the roofing sub-contractor installed specialty shingles imported from Canada. The sub-contractor failed to follow the installation instructions, resulting in the shingles flying off the roofs. Some homeowners provided the agency with videos they took showing the shingles rising in the wind in waves that rippled from one end of their roofs to the other. The problem caused varying degrees of damage to the homes and their contents. Through the agency's efforts the roofs on every home in these developments were inspected, whether the owners had made complaints or not. All of the problems were repaired, and the homeowners received reimbursement for any damage that was caused plus ten-year warranties against future shingle loss.

*Before having a home constructed consult with an attorney about whether a performance bond or other protections can be built into the sales agreement. Get all promises and warranties in writing and bring any problems to the builder's attention promptly. Photos and videos can be very helpful to document defects in materials or construction.*

### **Massachusetts**

Concerned about the safety of her autistic son, a consumer gave a contractor a \$1,805 deposit to replace a dilapidated fence in the back yard. The contractor promised to begin the work within eight weeks. Several months elapsed, however, without any work being done or even a date set to start it. After the **Consumer Assistance Office – Metro West** tried to contact the contractor, with no response, the consumer was advised to pursue the matter in Small Claims Court.

*Get estimates from a few contractors and ask for referrals to previous customers so you can check on their reliability and the quality of their work. You may also find useful information about contractors from the Better Business Bureau and other sources by searching online.*

Solar installations continue to generate complaints to state and local consumer agencies. In a particularly difficult case last year, a man sought assistance from the **Massachusetts Attorney General's Office** with a problem selling his deceased parents' property. They had signed a 20-year lease on solar panels. As is often the case, the solar company filed paperwork that creates a type of lien on the property with the state registry of deeds. That company went out of business and a new solar company took over the lease. In order for the property sale to go through, the lien needed to be temporarily lifted and then reset, but the man was unable to get the solar company to cooperate. The agency helped to resolve the problem with the lien and also worked with the buyer's mortgage lender to ensure that the pre-approval and interest rate stayed locked in while the matter was being dealt with.

*Many states have enacted laws concerning solar sales and leases. Before you sign a contract, ask your state or local consumer agency about your rights and the company's responsibilities. Be sure you understand the terms and what will happen if you decide to sell your home or no longer want solar*

power. Get a written contract that spells out everything you've been told. The Solar Energy Industries Association offers free guides at <https://www.seia.org/initiatives/solar-customer-resource-portal>.

In another solar-related complaint to the **Massachusetts Attorney General's Office** (AGO), an elderly woman's bedroom became uninhabitable when the solar panels installed on her roof caused a leak. The woman's pleas for help from the solar company fell on deaf ears until the AGO stepped in. It turned out that the roof had not been properly inspected before the work was done and significant repairs were needed, which were done at no expense to the homeowner.

*Ask your state or local consumer agency if companies that install solar panels must be licensed or registered and check on whether the ones you are considering have met those requirements. Also ask if there is a guaranty fund or bond to protect you if the work is not up to par.*

### **Florida**

The **Hillsborough Department of Consumer and Veteran Services** received several complaints last year against contractors who were selling home improvements with financing through the PACE program, which provides loans for projects to improve energy-efficiency. These complaints, primarily from older homeowners on fixed incomes, alleged a variety of abuses including false advertisements, high pressure sales tactics, exorbitant charges, substandard work, and failure to start or complete the work. Often the sales are made door-to-door. In one such case, an elderly couple agreed to get their windows replaced and a new air conditioner. They initialed an agreement on the salesperson's iPad, but never read the loan document. The air conditioner was installed; however, the windows did not materialize. After receiving the tax bill, which included the finance charges for the PACE loan for the air conditioner, the homeowners decided they should refinance to pay it off in full. They did not realize that there was a second tax assessment for the windows, and their payment went to that, not for the air conditioner, even though they should not have been charged for the windows because they hadn't received them. The agency got the contractor to pay off the remaining assessment and reimburse them \$12,325.

*One way that homeowners can finance the purchase and installation of solar systems, replacement windows and other energy efficiency improvements is through PACE (Property Assessed Clean Energy) loans. These are authorized by local governments under state laws. The contractors enroll the homeowners in the PACE program and the loan payments are collected through their property tax bills. If there is a problem – the tax payments are unaffordable, the sales company made misleading claims about energy savings, the installation was faulty or not done – the homeowner can't simply stop paying, because there is a tax lien on the property. If you are considering any type of loan that results in a lien, get legal advice to make sure you understand the terms and that it's suitable for you. Also check whether you are eligible for free or low-cost energy efficiency programs that might be better alternatives.*

A 79-year-old man hired a contractor whom he had known since he was a little kid to repair the roofs on three houses. The contractor asked him to pay for the work, a total of \$21,000, by making out three checks for \$7,000 each to him personally rather than the name of the business. He promptly absconded with the funds, performing no work. An investigation by the **Orange County Consumer Fraud Unit** revealed that the contractor was unlicensed. He failed to respond to the agency and is now facing criminal charges, including grand theft of a person 65 years or older.

*Before you hire a contractor, ask your state or local consumer agency if the work that you want done requires a license or registration, and if it does, how to check to confirm that the person or company has done that. While having a license or registration is no guarantee that the contractor will do a good job, failure to comply with the requirements could be a sign that the contractor is irresponsible.*

In another roofing case, a woman asked **Pinellas County Consumer Protection** for help after the new

roof she paid \$14,600 for leaked worse than the old one it replaced. Not only did the leaks damage the ceilings in three rooms, but water got into ceiling fans and light fixtures, creating a hazardous situation. While the contractor offered to fix the damage, the consumer had lost confidence in his abilities and obtained quotes from other contractors to have the work redone for about \$6,000. Through an informal hearing at the agency, the contractor agreed to give the woman a \$3,300 refund.

*Unhappy with work that was done on your home? Sometimes it is helpful to get an independent opinion about what the problem is, whether the contractor should be responsible for it, and how much it will cost to fix. Get a written statement and a receipt for any payment you had to make for the inspection. If you can't resolve the issue with the contractor, ask your state or local consumer agency for assistance.*

The worst complaint to **Pinellas County Consumer Protection** last year was from a retired couple on a fixed income who were approached to buy solar panels. Not only did the salesperson assure them that the panels would produce enough energy to cover their needs, but he claimed that the excess energy generated would be purchased by their electric company, providing them with \$30-\$40 in income every month. Since their sole source of income was Social Security, this sounded like a wonderful opportunity. Unfortunately, they were misled and saddled with a financial burden they couldn't handle. The system cost \$24,000, which with interest would total \$40,723. They belatedly learned that in addition to having to make the monthly payments for the next 27 years, they would also have to continue to pay their electric company. They wanted to cancel, but the cancellation period had elapsed. Fortunately, the salesman hadn't provided them with a copy of the contract or the notice of their right to cancel. The agency was able to negotiate with the solar company to remove the panels and repair the roof, and the finance company agreed to release them of the financial obligations.

*To protect consumers from high-pressure door-to-door sales tactics, federal law provides the right to cancel purchases for more than \$25 made at home or somewhere other than the seller's normal place of business. If you are not given notice of that right at the time of sale, your right to cancel continues. There are some exceptions. You may also have cancellation rights and other grounds for terminating a contract under state law; ask your state or local consumer protection agency. To learn more go to [www.consumer.ftc.gov/articles/0176-buyers-remorse-when-ftcs-cooling-rule-may-help](http://www.consumer.ftc.gov/articles/0176-buyers-remorse-when-ftcs-cooling-rule-may-help).*

### **California**

An elderly woman hired a contractor to do some electrical work on her home for \$31,000. Though the work was completed and passed city inspection, she felt that it was poor quality and refused to pay the \$22,000 she still owed unless some things were redone. The contractor disagreed that there was anything wrong with the work and placed a lien on her home. He failed to do so within the time limit set by law, however. In an agreement mediated by the **Los Angeles County Department of Consumer and Business Affairs**, the contractor removed the lien and cancelled the remaining balance.

*If the contractor's work doesn't look right to you, hold off on making the final payment until you resolve the issue. Ask your state or local consumer protection agency for advice.*

The **San Francisco District Attorney's Consumer Protection Unit** encountered a new problem last year when a man complained about a mold inspector he hired, who informed him that the air in his home was contaminated with mold spores and recommended a contractor to tear the walls down. It wasn't until he got the bill for the demolition that he noticed the contractor had the same last name as the mold inspector. Suspecting that something might be amiss, he called in another contractor who told him that there were no signs of mold. He then had to pay to have the walls reconstructed. The matter was referred to the state contractor's licensing board.



*Before you hire someone to inspect your home for mold, radon, or other issues, ask your state or local consumer agency if a license or registration is necessary to do that work and, if so, how to confirm that the inspector is in compliance. You may also want to look into whether the inspector is certified by an industry association. One good resource is the National Association of Certified Home Inspectors, through which you can find inspectors who have met industry standards for practices and ethics. Go to <https://www.nachi.org/certified-inspectors>.*

### **New Mexico**

When a consumer purchased a home that needed new windows, the realtor suggested that he hire her son-in-law to do the work. Believing that the man was a licensed contractor, the consumer gave him \$10,000. He removed some stucco, exposing the insulation to the elements, but never installed the windows or replaced the stucco. Later the consumer discovered that he was not licensed and that he was featured in a San Diego television station's report for swindling people and causing damage to their homes. He also purportedly ran afoul of the law in Florida and spent time in jail there for fraud and theft. The **New Mexico Attorney General's Office** referred the consumer's complaint to the state agency that has the authority to investigate and prosecute unlicensed contractors; the realtor's role is under review by the state real estate commission.

*If a contractor fails to finish the job, keep notes of your attempts to communicate with the person and take photos to document the situation. You may need to hire someone else to complete the work in order to prevent damage to your home. Ask your state or local consumer agency for advice about next steps.*

In another complaint to the **New Mexico Attorney General's Office**, a consumer hired All Star Public Adjusters, which was going door-to-door offering to help homeowners with insurance claims, to negotiate with his insurer concerning damage to his roof. The claim was approved, and the insurer sent a check for the first installment to pay for the repairs to All Star, which arranged for a roofing contractor. After months went by without any work starting, the homeowner asked the consumer agency for help. The investigation revealed that the homeowner had never been given the required notice of his three-day cancellation right. Furthermore, the contractor and All Star shared the same address and appeared to be under the same ownership. New Mexico law prohibits public adjusters from acting as the contractors for the work that will be done under the claims they handle. The contract was cancelled, and a new check was sent directly to the homeowner, who hired another roofer. Questions about the relationship between All Star and the contractor are now in the hands of the state insurance regulator.

*According to the Insurance Information Institute, a public adjuster is an independent insurance professional that you can hire, at your own expense, to help you settle an insurance claim. It is not the same as the adjuster that your insurance company may provide, at no cost to you, to evaluate your claim. To prevent conflicts of interest, some states bar public adjusters from acting as contractors to make the repairs covered by the claims they're handling.*

### **Ohio**

A consumer hired a contractor to put in a new concrete walkway and steps. When the work was finished, the consumer realized that the handrails did not fit, and the steps were not uniform in height. The top riser was three inches, the second one was six inches, and the bottom one was six and a half inches, creating a hazardous situation. Despite promises to redo the work, the contractor disappeared, taking the consumer's full payment with him, and the **Summit County Office of Consumer Affairs** was unable to locate him.

*Never pay the full amount for home improvement work until the job is done. You have no leverage if the work is incomplete or unsatisfactory.*

The **Ohio Attorney General's Office** received a plea for help from a disabled veteran who hired a company to install a walk-in bath. He paid a \$2,000 deposit and after waiting for 30 days with no word from the company about when the work would be done, he called to cancel. The representative told him that it was too late to get a refund and in addition he would be responsible to pay 25 percent of the \$13,000 price for the job if he cancelled. The agency got his money back.

*Be sure the contract specifies the date that the work will begin. While there may be legitimate reasons for delays, such as problems obtaining materials or other jobs taking longer than expected, the contractor should let you know and provide you with a new starting date.*

## **Home Solicitations**

### **Montana**

At first when an elderly man began to receive magazines he'd never subscribed to, he threw them away, figuring it was a mistake. Eventually he began to get bills and they quickly added up to nearly \$2,000. Alarmed, he called the publishing company and was told he could either accept a "buyout" for \$1,000 or the full amount would be referred to collections. He filed a complaint with the **Montana Office of Consumer Protection and Victim Services**, which contacted the company and was assured that the consumer's account would be closed with a zero balance. Shortly thereafter, however, the company called the consumer to demand payment. He was so distressed that he paid \$600. The agency got him a refund, and an apology.

*Under federal law, if you receive merchandise you didn't order you're entitled to keep it as a gift. Of course, it's a good idea to contact the sender to clear up errors and make sure you won't be billed. Don't be pressured into paying for something you never agreed to buy. To learn more, go to <https://www.consumer.ftc.gov/articles/0181-unordered-merchandise>.*

### **North Carolina**

Robocalls were a major subject of complaint to the **North Carolina Attorney General's Office** last year, as they were to other consumer agencies across the country. "Neighborhood spoofing," in which the callers disguise their numbers to make it appear as though they are located in the same area as the consumers, was a new problem reported to the agency. This technique is used because consumers are more likely to pick up the phone if they see a local number on their Caller ID. Sometimes the numbers are those of people they know, but that's not who is calling – even worse, sometimes they are consumers' own numbers. Consumers are not only tricked into answering unwanted calls, but they're contacted by other people angrily demanding to know why they're calling them, when they aren't. The North Carolina Attorney General is leading a bipartisan group of state attorneys general to discuss with major telecom companies how to stop illegal spoofing and reduce robocalls.

*There are legitimate reasons for showing a number on Caller ID that is different than the number being used to make the call. For instance, a business might want to display a toll-free number that consumers can use to call back. It's illegal, however, to transmit misleading or inaccurate Caller ID to defraud or harm someone. Learn more at <https://www.fcc.gov/consumers/guides/spoofing-and-caller-id>.*

### **New York**

Robocalls were the fastest-growing complaint to the **New York State Division of Consumer Protection** in 2018, and Caller ID spoofing was a particular focus of consumers' ire. The agency received 655 complaints about illegal robocalls offering air duct cleaning services, all displaying the same phone number. The investigation found that the number displayed belonged to a legitimate air duct cleaning

service that was spoofed by an indeterminate bad actor. This instance exemplified the nefarious reach of robocalls and spoofing. The nuisance calls are not only affecting consumers, but legitimate businesses too as they strive to compete honestly.

*Telemarketers must get your permission before making sales calls to you using autodialing equipment or prerecorded messages. If someone is violating your robocall or other calling rights, chances are it's a scam. Telephone companies are working on ways to block unwanted robocalls and stop fraudulent Caller ID spoofing. Ask your landline and/or wireless phone service provider what tools are available to you. For more information go to <https://www.fcc.gov/consumers/guides/stop-unwanted-robocalls-and-texts>.*

### **Massachusetts**

The **Massachusetts Attorney General's Office** sued a competitive electricity supplier, Starion, last year for knowingly making sales calls to consumers whose phone numbers were on the state's Do Not Call Registry. The company was also accused of using misleading tactics such as spoofing its identity and location, claiming that most consumers are overpaying for energy by hundreds of dollars each year, and stating that new laws have been passed to give consumers "the right to receive a lower rate on [their] current electric bill." While consumers can now shop around for electricity suppliers, there is no "right" to lower rates nor any guarantee of lower prices from competitive services.

*If your phone number is on the federal or a state "Do Not Call" registry and you're getting sales calls from companies that you don't do business with, or you're getting pre-recorded sales calls from a company that you never gave written permission to make those kinds of calls to you, it's a violation of your telemarketing rights. Learn more about your calling rights and where to report violations at [http://consumerfed.org/consumer\\_info/understanding-your-telemarketing-rights/](http://consumerfed.org/consumer_info/understanding-your-telemarketing-rights/).*

### **Household Goods**

#### **New York**

A consumer bought six security cameras from an electronics store for a total of \$522, but they didn't work, and the business refused to exchange them. After the **NYC Department of Consumer and Worker Protection** (formerly the NYC Department of Consumer Affairs) interceded, the store not only replaced the cameras but sent a technician to install them free of charge.

*If an appliance is defective, don't take it lying down – insist it be repaired or replaced, even if the store has a "no returns" policy.*

#### **Maryland**

An older couple was dismayed to discover that a mattress they purchased wasn't suitable for their needs and the base they got to go with it was the wrong size. The merchant wanted to replace them, but because the consumers felt that the merchandise had been misrepresented and the customer service had been so poor, they just wanted a refund. After extensive negotiations, the **Montgomery County Office of Consumer Protection** got the merchant to agree. When personnel from the store came to pick up the items, however, they damaged the couple's home. The merchant ultimately agreed to refund the consumers for the merchandise and for the cost to repair the damage.

*Buying a mattress? It's an expensive item and you don't have the automatic right to return it if you don't like it, so use care. Don't just rely on the salesperson; do research on the best type of mattress to meet your needs, shop around, and try out several mattresses in stores before deciding which one to purchase.*

## ***New Mexico***

An elderly disabled woman asked the **New Mexico Attorney General's Office** for help when she cancelled an order for a bed but could not get the delivery fee of \$129 back. The store argued that “all sales are final,” but the mediator pointed out that since the bed had not been delivered, there was no justification for keeping the fee. It was refunded.

*Check the cancellation and refund policy before you make any major purchase. Paying with a credit card gives you the strongest protection because you can dispute the charges if you have a problem and can't resolve it with the business. But you may not have a leg to stand on if you've simply changed your mind.*

## ***Ohio***

Here is another bedtime tale of woe: The mattress that was delivered to an Ohio man was not the one he had purchased. He returned to the store the next morning to explain the problem, but the owner refused to exchange it or give his money back. While the receipt said, “no refunds or exchanges,” the **Summit County Office of Consumer Affairs** noted that the business had failed to post its refund policy in the store, as it was legally required to do. The consumer received a full refund.

*Some states require stores to prominently display their return policies so that consumers will have that information before they make their purchases. Just printing it on the receipt is not sufficient because consumers would only see that after the sale.*

When the vacuum cleaner a man bought broke down three times within months of purchase, he was at the end of his rope. The manufacturer promised to replace it but never followed through, and each time he called he was sent to a different department, where he was assured that the issue would be “escalated” and resolved within 48 hours. It was not. The **Cuyahoga County Department of Consumer Affairs** finally got him a refund of \$424.

*In addition to the manufacturer's warranty, you may be able to insist on a repair, replacement or refund if the product doesn't work as it should for a reasonable period of time. If you can't resolve the problem, ask your state or local consumer agency for help.*

## ***Montana***

An elderly woman who bought a lawn tractor from a Sears in Billings, Montana ran into difficulty when it needed to be repaired because at that point the company had closed all of its main stores in the state. Though the tractor was under warranty, Sears' customer service was not helpful, so she turned to the **Montana Office of Consumer Protection and Victim Services** for assistance. The situation was complicated by the company's financial woes and the possibility that it would go out of business. Hours before the lead shareholder of Sears offered to buy it, the mediator was able to reach an agreement with the company to replace the tractor with a new, more expensive model, at no additional cost to the consumer, and to ship it to her for free.

*Even if there is a warranty, you may have to be persistent to get repairs or a replacement. Keep notes of your communications with the company, including the dates, who you dealt with, and what you were told in case you need that information to make a complaint or take other action to enforce your rights.*

## ***Massachusetts***

Problems with large appliances account for many complaints to the **Massachusetts Attorney General's Office**. In an example from 2018, a slow leak from a refrigerator damaged the wall and floor boards in a woman's kitchen. The manufacturer refused to replace the refrigerator or pay for the necessary repairs. After the agency intervened, however, it agreed to do both.

*If a faulty appliance damages your home, notify the retailer and the manufacturer immediately. Take pictures to document the problem and be persistent but polite in your demands to make things right.*

## **Identity Theft**

### **Montana**

The fastest-growing complaints to the **Montana Office of Consumer Protection and Victim Services** last year were from identity theft victims whose personal information was used to obtain cell phone service. Typically, the consumers only discovered the problem when they received notices from the carriers about overdue bills. The agency's investigations revealed that in many cases, the identity thieves ordered new iPhones in their victims' names, arranged to have them shipped to their addresses, and intercepted the packages. To help these victims cancel the accounts and remove negative information from their credit reports, the agency issued "identity theft passports" to them. It also contacted the carriers' fraud departments to alert them to the problems.

*Federal law now gives individuals the right to freeze their credit reports for free, whether they are identity theft victims or not. This is the best defense against new accounts being fraudulently opened using your stolen personal information. The Federal Trade Commission provides information about how to do this at the three main credit reporting agencies, see <https://www.consumer.ftc.gov/articles/0497-credit-freeze-faqs>. But many telephone companies use another credit reporting agency, the National Consumer Telecommunications and Utilities Exchange (NCTUE), to check consumers' payment histories before opening new accounts in their names. Some gas, electric, water and cable companies also use the information from NCTUE in their approval process. If you have a file there, you can freeze it for free as well. Call 1-866-349-5355. You can lift the freezes when needed and reset them, again at no charge.*

## **Internet Sales**

### **California**

The **San Francisco District Attorney's Consumer Protection Unit** received a complaint from a man in another state who had ordered four tires online from a San Francisco company. The tires that were delivered were not the size he requested, so he contacted the company and it agreed to have FedEx pick them up and deliver the right ones. FedEx dropped off four more tires, still the wrong size, and did not take the first ones back. He called again. Four more tires of the wrong size were delivered, none were picked up. This happened one more time, at which point he had 16 tires that he could not use. To add insult to injury, the company then billed him for the 12 additional tires. The agency helped him get his original payment back and all of the tires removed.

*Using a credit card is the safest way to pay for online purchases because federal law gives you the right to dispute the charge within 60 days of receiving the first bill on which it appears if it's for the wrong amount, you never got the merchandise, or what you got is different than what you were promised.*

### **Utah**

In last year's report we included a story about an online company that sold custom decorations for weddings and homes. The **Utah Division of Consumer Protection** had received more than 100 complaints from consumers who didn't receive their orders on time, leaving some without the decorations they planned to use for their weddings. To resolve the issues, the company paid a fine and agreed to fulfill the outstanding orders or provide refunds. New complaints came in, however, triggering

additional legal action. The company eventually failed, but the agency was able to obtain additional restitution totaling nearly \$20,000.

*When you order something by phone, by mail, or online, federal regulations require the items to be shipped by the time promised, or if no delivery date was specified, within 30 days. If the delivery is delayed, you must be notified and given the options to wait longer or cancel for a refund. Contact your state or local consumer agency if you have a problem with an order and can't resolve it with the seller.*

Complaints to the **Utah Division of Consumer Protection** about online ticket sales became more prevalent last year. Consumers searching for information on the internet about concerts or other events reported being drawn to what they thought were the venues' websites, only to discover later that they dealt with third-party sellers and paid much more than face value for the tickets. The agency substantiated these allegations by conducting its own searches online using various search engines. Sponsored ads by resellers typically appeared at least four links above the official venue's website, and the disclaimers about who they were, and the price mark-ups were not adequately conspicuous.

*Some states have laws requiring ticket resellers to make clear, prominent disclosures about who they are and what they're offering. Look at websites carefully to make sure you know what you're getting.*

### **Massachusetts**

While on Facebook, a woman saw a message about a skin care product "promoted" by Judge Judy. It offered free samples with payment of \$4.95 for shipping and handling. She ordered that, and another free sample of an eye cream for \$5.95. Eight days after receiving the products, she was surprised to see two charges from the company on her credit card, one for \$89.95 and the other for \$85.95. The **Consumer Assistance Office – Metro West** contacted the company and got the charges removed.

*Something that's "free" can cost you big bucks if it's actually a "free trial offer" in which you will receive more goods or services every month – and be charged for them – unless you cancel within a certain time. The terms of these offers are sometimes hidden in fine print or not disclosed at all. If charges you never agreed to appear on your credit card or bank statement, contact the financial institution immediately to challenge them. Learn more at <https://www.consumer.ftc.gov/articles/0101-free-trial-offers>.*

### **Ohio**

The **Summit County Office of Consumer Affairs** had a similar complaint last year involving an online offer to try a skin cream. This one was from a 94 year-old woman who was aware of the fact that she needed to cancel to avoid future charges, and she called the company several times to attempt to do so, but she could never get through to anyone. To make things worse, somehow as a result of this one trial offer three companies were charging her credit card and sending her merchandise she never ordered. The agency resolved the problems with two of the companies but couldn't find the third one. The woman was able to get those charges reversed through her credit card issuer.

*Under a federal law, the Restore Online Shoppers' Confidence Act, it's illegal for a merchant from which a consumer buys something online to pass the person's financial account number to another merchant for purposes of making an online sale to the consumer. The second merchant must obtain the account number directly from the consumer and get the person's express consent to charge that account.*

### **South Carolina**

Crowdfunding complaints were new to the **South Carolina Department of Consumer Affairs** last year. A local start-up business collected nearly \$700,000 through an online crowdfunding platform but never delivered the product, countertop chillers for beer growlers, to supporters as promised or responded to

demands for refunds from consumers who placed preorders. The matter is still pending.

*When you donate to someone who is creating a new product or launching a new service there is no guarantee you'll get what you were promised in return. Consumer Reports provides tips about crowdfunding scams at [www.consumerreports.org/cro/money/crowdfunding-scam](http://www.consumerreports.org/cro/money/crowdfunding-scam). But you could lose your money even if the person you're giving it to is well-intentioned. If you're using a crowdfunding website to make a donation, check to see if it vets the projects that it lists or provides any protection.*

## **Landlord/Tenant**

### **Arkansas**

Mold has emerged as a serious problem for some tenants. In one complaint to the **Arkansas Attorney General's Office**, a man reported that the mold in his apartment was exacerbating his health issues. He had contacted the local health code enforcement office, which inspected the unit and notified the management about the problem, but nothing was done. The tenant was also concerned about an incident in which a renter in the complex pulled a gun on him. The agency was able to negotiate his release from the lease and a full refund of his security deposit.

*Many states require rental property meets specific safety and health standards. If you call your landlord about a problem, follow up with a letter and keep a copy. The time limits for landlords to make repairs may depend on the seriousness of the problems; your state or local consumer protection agency can provide information about your rights and how to enforce them if the landlord doesn't cooperate.*

### **Florida**

Mold is also a problem in Florida. A family asked the **Hillsborough Department of Consumer and Veterans Services** for help when they were displaced from the home they rented because of a roof leak that caused mold spores to appear around vents and on the ceilings, creating a health hazard that required drywall removal and remediation. The agency negotiated with the landlord to get them out of their lease and reimburse them for the mold inspection they paid for, their hotel expenses, and their security deposit, a total of \$4,150. This enabled them to relocate and get on with their lives.

*You may be able to break the lease if the house or apartment you're renting becomes uninhabitable because of health or safety problems. Report those issues to the landlord and the local health inspector.*

### **Maryland**

Disaster struck a senior apartment building when the main sprinkler located on the third floor broke, causing more than 150,000 gallons of water to cascade through it. 126 units were affected, ruining tenants' personal belongings and forcing many to leave. Their renter's insurance covered some of their expenses, but only up to a certain limit. The **Maryland Attorney General's Office** worked with the building management to arrange for tenants' belongings to be safely stored, relocate some of them to unaffected units, and provide others with reimbursement for extended hotel stays. The agency also mediated early lease terminations for tenants who were not directly impacted by the flood, but wanted to move out because of disruption and health concerns caused by the repair work.

*Renters insurance can be helpful if your personal property is damaged or your apartment becomes uninhabitable due to a fire, flood or other disaster. Before buying a policy, shop around and make sure you understand what's covered, how the amount of money you would receive will be calculated, and how much your deductible will be. The Insurance Information Institute offers a guide to renter's insurance at <https://www.iii.org/article/your-renters-insurance-guide>.*

## Virginia

The worst problem that the **Fairfax County Department of Cable and Consumer Services** dealt with last year involved maintenance issues at a senior living apartment complex, including lack of air conditioning during hot weather, pipes bursting, and damage to drywall. Residents said the management failed to address the problems and threatened to evict them if they complained to anyone about them. The agency worked with the county department of code compliance and the management to resolve the issues. In addition, the agency organized a meeting with the tenants to educate them about their rights and encourage them to report any further problems.

*Some state laws specifically protect tenants from retaliation for reporting health code or other violations. Keep notes of when you notified your landlord about problems and any subsequent steps you took to resolve them in case you need to prove that your landlord attempted to take action against you for enforcing your rights.*

## Wisconsin

Complaints to the **Wisconsin Department of Agriculture, Trade and Consumer Protection** led to a consent judgement against a major landlord, Wisconsin O'Connor Corporation, to resolve allegations of illegal security deposit deductions and prohibited rental agreement provisions. Among other things, the company must remove requirements in its rental agreements that tenants give more than 28-days' notice to vacate an apartment, remove provisions that bar month-to-month tenants from leaving between October and March, stop deducting rent that is not yet due from tenants' security deposits, stop requiring tenants to pay for "minor" repairs or replacements that should be the landlord's responsibility, and provide clear disclosures regarding late fees. In addition to making restitution to tenants, the company must pay the state's legal fees and costs.

*Unsure of your rights as a tenant? If you've got a problem, don't suffer in silence. Ask your state or local consumer protection agency for information about your rights and how to enforce them.*

## [Pets](#)

### Connecticut

The woman wanted a puppy but couldn't afford the \$1,200 purchase price, so the pet store owner offered to let her take it and pay in monthly installments of \$100. She signed the contract, but later discovered that it was a lease, with a buyout charge at the end if she wanted to keep the dog. The payments, which included interest, would total \$3,575.97. After consulting with the **Connecticut Department of Consumer Protection**, the woman filed a civil lawsuit. Since then, the agency has received other complaints about pet leasing and is conducting proactive investigations to monitor this evolving issue. It has also issued notices to the public on the subject.

*Leasing a pet may seem like a more affordable option than buying it outright, but fees and interest can significantly increase the cost. Furthermore, under the lease terms you could be responsible for all expenses such as vet bills, and if the animal runs away or dies, you may still be liable to pay the balance of the contract. Plus, if you don't make your payments, your pet could be repossessed. Read the contract carefully and ask questions if there is anything you don't understand before you agree to lease a pet.*

### Arkansas

Attracted by a legitimate-looking website, a woman agreed to buy a puppy online. She was instructed to send the payment through MoneyGram. When she asked why the name of the person to whom to send the money was different than the name of the seller, she was told it was the breeder's cashier. The



“delivery agency” called to say that the puppy would be delivered the next morning. Several hours later she received a text asking her to send more money because the flight crate was not appropriate. She texted back but got no response. Then the “delivery agency” called again, claiming that the puppy was sick and demanding that she send money for veterinary care. At this point, she contacted the **Arkansas Attorney General’s Office**. Unfortunately the agency was unable to get any response.

*You’ve heard the saying, “On the internet, no one knows you’re a dog.” It’s also hard to know if the person who is offering a dog for sale actually has it or if it’s a scam. One “tell-tail” sign is if you’re asked to send your payment via a money transfer service. Legitimate businesses don’t ask for payment that way, but fraudsters do because they can get the cash fast, and it’s hard to trace them. Pet scams have become so common that the International Pet and Animal Transportation Association warns consumers about them. See <https://www.ipata.org/pet-scams>. The best bet is to buy from a reputable local breeder.*

## **Real Estate**

### **Florida**

An elderly man who had been living in a mobile home park for 13 years asked the **Hillsborough Department of Consumer and Veterans Affairs** for help after the management told him to leave in 30 days because his porch was in disrepair, there was debris in the yard, and his grass was not mowed. He felt that it was an attempt to get rid of him because his home was in a prime location, but he acknowledged that he had let things go. His wife had recently passed away, and he was suffering from depression. Once the agency became involved and explained the situation to the management, the man was given more time to take care of the issues and was able to stay in his home.

*When mobile home owners don’t own the land their homes sit on, they are vulnerable to eviction. Some states have specific laws to protect them. The National Manufactured Homeowners Association provides information and advocates for mobile homeowners’ rights, see <http://www.nmhoa.org/>.*

### **South Carolina**

The fastest-growing complaints to the **South Carolina Department of Consumer Affairs** last year were about homeowner’s associations. Typical problems included failure to enforce covenants and bylaws, failure to notify residents about board actions, and failure to produce financial statements. Multiple complaints against one homeowner’s association were resolved when it agreed to hire an independent firm to audit its accounting records for 2016 to 2018 and produce quarterly audits starting in 2019.

*The board of directors of a homeowner’s association sets the rules owners must abide by and is responsible for collecting fees and making expenditures for repairs and improvements to the common areas. If you believe the rules of your homeowner’s association are not being properly followed, your state or local consumer agency may be able to give you advice and assistance.*

### **Massachusetts**

After moving out of an assisted living facility, a consumer was told that the \$470,000 entrance fee would not be returned until and unless the unit was resold to someone else. The **Massachusetts Attorney General’s Office** helped the person get the money back immediately.

*Assisted living facilities often charge a substantial entry fee upfront with the assurance that all or a certain percentage of it will be returned when you leave (or will go to your estate if you pass away). The terms are spelled out in the contract, and there may also be state law that applies. As with any real estate transaction, it’s a good idea to have a lawyer review the paperwork before you commit.*

## **Maryland**

Examples of similar complaints came from Maryland. The **Howard County Office of Consumer Protection** helped a woman who paid a \$232,570 entrance fee to move into a senior living facility with the promise that certain amenities would be forthcoming. When they failed to materialize, she moved out. Since she didn't follow the required procedures for terminating her agreement, she was informed that she would have to wait until someone else moved into her unit to get her money back. A year later, she was still waiting. The agency got her a full refund.

In a complaint handled by the **Maryland Attorney General's Office**, an 87-year-old woman quickly realized that the retirement community she moved into was not a good fit. She had constant maintenance and parking issues that made her very anxious. Through mediation the agency worked out an agreement to allow her to move out with payment for one month instead of the three months that would normally be required, and her entire entrance fee was refunded.

*Considering an assisted living or senior living facility? Don't make your decision on the basis of a glossy brochure or enthusiastic testimonials in advertisements. Visit the facility repeatedly, speak to residents and staff, arrange for a thorough tour, and ask the sales department questions. Get all promises about future features or amenities in writing to document what you were told in case they aren't fulfilled.*

## **Retail Sales**

### **Arkansas**

In last year's survey report we shared the sad story of a New York couple who, while at a port of call on a Caribbean cruise, were plied with tropical drinks and purchased an expensive ring that they were unable to return. This story from the **Arkansas Attorney General's Office** has a happier ending. The consumer took a cruise to Cabo San Lucas, Mexico, and on the recommendation of a "shopping consultant" visited a jewelry store during a shore excursion with the intention of buying earrings. She was pressured to buy a diamond ring instead for \$5,800. Once back on the ship she told the consultant that she wanted to return it and was assured that she had 30 days to do so. When she contacted the store, however, she was told that there were no refunds for "buyer's remorse." An appraiser valued the ring at \$4,500. With this information the agency was able to get her a partial refund of \$1,100, a \$500 gift certificate, and reimbursement for the appraisal.

*Never buy expensive jewelry on impulse. To be sure you're getting what you pay for, do some homework. You can learn about jewelry certification at the [International Gemology Institute website, www.igjonline.com](http://www.igjonline.com). When you make a purchase, get a detailed receipt that shows what you bought and how much you paid, as well as any certificate or appraisal for the item so you can prove the claims the business made. Regardless of these precautions, buying jewelry in another country is risky, however, because U.S. law will not apply, and it may be very difficult to resolve problems long-distance.*

### **Massachusetts**

A profoundly deaf man filed a complaint with the **Consumer Assistance Council** against a business that sells fabric truck bed covers for refusing to honor its warranty. The business attempted to put the man off by providing him with a small tube of glue, which was totally inadequate to fix the seams that had ripped apart. When the consumer office contacted the company, the owner denied responsibility, claiming that the man had voided the warranty by allowing too much snow to accumulate on the truck cover, though there was no evidence to support that. It took considerable effort to track down the manufacturer of the cover, but the consumer office is was finally able to get it replaced.

*You don't have to put up with defective merchandise. In addition to the warranty that may come with the item, you may also have rights under state law to insist on a replacement or refund if the problem can't be fixed. Check with your state or local consumer protection agency.*

### **District of Columbia**

Complaints about retail store practices rose last year at the **District of Columbia Attorney General's Office**. In one case, a consumer ordered kitchen cabinets from a store after bringing in a sample of his existing cabinets to match them. When the cabinets arrived, they did not match. The consumer took pictures to show the difference, but the retailer insisted that the cabinets were the right color and wanted to charge a 15 percent restocking fee if they were returned. With the agency's help the consumer received a full refund of \$2,765.

*If a business can't get the specific item you ordered, it's a breach of contract. You can accept a substitute, but you don't have to – you can insist on getting your money back regardless of the company's refund policy. Make sure the receipt describes exactly what you ordered in case there is any question later.*

### **Montana**

The worst complaints to the **Montana Office of Consumer Protection and Victim Services** last year were against a restaurant that continued to sell gift cards despite the fact that it was experiencing financial difficulty and would probably close, which it ultimately did. The agency worked with the business' legal team to obtain full refunds for 1,726 people, a total of \$90,464.90.

*Use gift cards and gift certificates as quickly as possible, as businesses can close without warning and there is no guarantee that you'll be able to get the unused value.*

### **Maryland**

Another problem that can arise when a business closes is what to do with people's belongings inside of it. While the **Montgomery County Office of Consumer Protection** has had lots of experience with cleaners and repair shops closing, last year was the first time that it was called upon to deal with a consignment shop that went out of business. In conjunction with the local sheriff's office, agency personnel staffed the store for 3 days to return unsold items to their owners and continued afterwards to process complaints from hundreds of people who were owed money or their property back.

*If a business that has items belonging to you shuts down without making arrangements to get them to you, ask the city or town clerk or the police if they have information about how to reach the owner. You can also check your Secretary of State's corporate registration section for contact information. Contact your state or local consumer protection agency if you can't find the person or retrieve the items.*

### **Florida**

A complaint last year concerning a drone was a first for the **Orange County Consumer Fraud Unit**. The problem was that after purchasing the drone, the consumer discovered that the area in which he lives is considered a "no fly zone," making it impossible to use it there.

*Whether you plan to buy a drone for fun or business, be aware that many states and localities have enacted laws and regulations concerning drone use. While there is information on the internet, it may not be up to date. Ask your state or local consumer agency for advice on the best source of information about the laws that may apply to you.*

## Services

### **North Carolina**

As a result of two hurricanes and a brutal winter storm last year, the **North Carolina Attorney General's Office** received more than 900 complaints about potential violations of the state's price gouging law. These included exorbitant charges for water, gasoline, groceries and other basic necessities as well as for services such as tree removal. One out-of-state tree service tried to charge a homeowner \$14,500 for removing two trees without getting consent first to do the work. This came to a rate of \$1,800 an hour per worker. After the homeowner refused to pay, the company placed the bill in the hands of an out-of-state debt collector, who engaged in misrepresentations and high-pressure tactics to try to get the money. The agency sued both the tree service and the debt collector, securing preliminary injunctions to prevent them from operating in the state. The litigation is ongoing.

*Natural disasters such as floods, hurricanes, blizzards and tornadoes can lead to increased demand for basic necessities and remedial services. Some states prohibit sellers from raising prices for certain types of products and services if an official state of emergency has been declared. If you suspect price gouging is going on, report it to your state or local consumer agency.*

### **Pennsylvania**

The worst complaints to the **Bucks County Department of Consumer Protection** concerned trash services. The agency received 72 complaints about one trash and recycling company that doubled and, in some cases, even tripled the charges for customers with little notice. Consumers who were on a quarterly autopay system were unable to act in time to cancel the services and avoid the higher fees. When they did cancel they were billed unexpectedly for removing the trash containers. Despite the fact that there is no regulatory oversight for these services, as there is for water and sewer, the agency has had success in resolving these complaints.

*The benefit of autopay is that you don't have to think about your bill payments, but that's the danger, too. Always look at your bill before the payment will be made to ensure that there aren't any mistakes or unauthorized charges. Contact the company, and your financial institution, immediately if there is a problem. If you cancel a service for which you have autopay, be sure to let the financial institution know.*

### **Florida**

An immigrant attempting to obtain permanent legal status in the United States asked **Pinellas County Consumer Protection** for help after paying an individual \$1,500 for legal services that he was not qualified to provide. As a result of the consultant making false statements on the paperwork, the consumer's application was denied. He was prosecuted, given probation for five years, and ordered to pay \$4,000 in restitution. Meanwhile, the consumer has hired a real lawyer and is still attempting to achieve the American dream.

*Dishonest immigration consultants can do more than just rob people of their money; if they fill out your application incorrectly they can damage your chance of success. Only licensed attorneys or nonprofit organizations that are authorized by the U.S. Citizenship and Immigration Services (USCIS) office can give you legal advice or represent you to obtain legal status. For more information go to [www.uscis.gov/avoidscams](http://www.uscis.gov/avoidscams) or call 800-375-5283, TDD 800-767-1833.*

Sometimes consumer agencies also assist businesses with complaints about poor service. In one case handled by **Pinellas County Consumer Protection** last year, a business hired someone to install an electrical sign and paid a deposit but refused to pay the balance because the work was substandard and

posed a fire hazard. The contractor, who turned out not to be licensed to do the work, refused to correct the problems or issue a refund. Instead, he took the sign down, leaving live wires exposed. Through the agency's efforts he made full restitution of \$7,052.75 to the business.

*You don't have to put up with substandard services. Ask your state or local consumer agency if there are licensing or other requirements for the type of work involved and, if so, how to confirm that those requirements have been met.*

### **California**

Phony legal services and immigration consultants were the worst complaints to the **Los Angeles Department of Consumer and Business Affairs** last year. In one case a woman paid someone she believed was an attorney \$5,000 to assist her brother, who was trying to come to the United States because of death threats in his home country and had been detained at the border. The man was not an attorney and did nothing to help her brother, who was ultimately deported. The agency's investigation revealed that several other people had also been victimized by this man. He was subsequently prosecuted, convicted, and ordered to pay \$13,500 in restitution to his victims.

*Tips about fraud targeting immigrants, applying for a Green Card or citizenship, and getting help from legitimate sources are available at [www.ftc.gov/bcp/edu/pubs/consumer/alerts/alt198.shtm](http://www.ftc.gov/bcp/edu/pubs/consumer/alerts/alt198.shtm). You can report fraudulent immigration consultants to your state or local consumer protection agency without fear, regardless of your immigration status.*

Sometimes complaints prove not to be valid. That was the case with a complaint that the **San Francisco District Attorney's Consumer Protection Unit** received from a woman who was evicted from the storage locker she rented for violating the terms of service. She had notified the manager about a problem with rats, and upon inspection it was discovered that they were feasting on pasta she was storing among her belongings. She argued that the pasta did not qualify as "food," which was forbidden under the terms, because it wasn't cooked. The agency agreed with the management that cooked or raw, pasta was food.

*Pay attention to the terms of contracts for storage. If you store something that leaks, creates fumes, or attracts rodents, you, not the storage company, will be held responsible for the damage caused.*

The worst problem that the **San Francisco District Attorney's Consumer Protection Unit** dealt with last year involved a videographer who took money to film people's weddings but never delivered the videos to them. Some of the couples had been married for two years by the time they filed complaints, after their attempts to reach the man were in vain. A mediator in the agency tracked the man down but he did not respond. More victims were identified, and the matter has escalated to a criminal complaint, which is pending.

*When a business makes a promise to you and doesn't keep it, ask your state or local consumer agency for help. Be sure that you have proof of what the deal was and how much you paid.*

### **District of Columbia**

The worst consumer problems that the **District of Columbia Attorney General's Office** handled in 2018 involved a funeral home operating without the proper licenses and charging grieving families for services it never provided. Because it was unlicensed, it could not issue death certificates, preventing families from accessing the deceased's financial accounts, beginning probate proceedings, and burying or cremating the bodies. It also misappropriated consumers' funds; in one case it accepted an insurance payment of \$53,000 for services that cost \$5,767 and failed to give the beneficiary the balance. The agency made arrangements for remains that were at the funeral home when it closed to be transferred to the chief medical examiner's office and helped families conclude their affairs and obtain restitution.

*Handling funeral arrangements can be stressful, but as with any major purchase, it's important to get a contract that specifies what will be done and when, and to follow up with the seller if the products or services are not provided. Don't pay the full amount before everything you were promised has been done. It's a good idea to look into funeral services before they're needed. At <https://funerals.org/> the nonprofit Funeral Consumers Alliance provides information about planning funerals and your legal rights.*

### **Ohio**

A couple who enrolled in a ready-to-prepare meal service were dismayed when the refrigerated box that the food came in badly scratched their countertop. Looking at the bottom of the box they discovered exposed metal fasteners poking out. The company promised to make things right but then stopped responding, which is when they complained to the **Cuyahoga County Department of Consumer Affairs**. At first the company claimed that it advised customers not to put the boxes on their counters, but when the agency's investigator found photos on the company's website of someone unpacking a container on a granite countertop, the company relented and sent the consumers \$630 for repairs.

*Follow the instructions for using products or services carefully. If there is a problem that's not your fault, take pictures to document it and contact the company as soon as possible. Your state or local consumer agency may be able to help if you can't resolve the matter satisfactorily.*

Another complaint to the **Cuyahoga County Department of Consumer Affairs** last year was about a home warranty company. The homeowner contacted the company because a pipe in her bathroom was leaking. Unfortunately, the plumber the warranty company sent to fix the problem made things worse by leaving the water line open and flooding the bath. When she took the matter up with the warranty company, she was told to work it out with the plumber. The agency got the warranty company to pay \$700 to repair the damage to her home.

*Home warranty companies promise peace of mind because if something needs repair they'll take care of it. You should be able to expect not only that they'll send someone fast but that the work will be done competently, and the warranty company will stand behind it.*

### **Connecticut**

The **Connecticut Department of Consumer Protection** encountered a new problem last year, homemaker companion agencies abusing powers of attorney obtained from clients. In one instance, a homemaker companion agency initially charged \$1,500 per week to provide a caregiver for a couple in their 90's. Once the owner of the agency gained their confidence, she obtained a power of attorney from them giving her authority over their finances and medical decisions, including the ability to write the checks to her company. Shortly thereafter, she started to bill them nearly \$4,000 a week for three caregivers, though the investigation revealed that there was only one caregiver providing services. The investigation is ongoing.

*A power of attorney is an important legal tool to provide assistance to people who cannot manage their affairs on their own, but it should only be given to someone who is trustworthy and has no conflicts of interest. The Consumer Financial Protection Bureau offers guides about this and other subjects at <https://www.consumerfinance.gov/consumer-tools/managing-someone-elses-money/>.*

### **Virginia**

A woman enrolled her children in language classes offered by a local business that is part of a national chain. She prepaid for several months, but partway through that period, she and her children arrived at the business to find the door locked and a sign that it had closed. The woman filed a complaint with the

**Fairfax County Department of Cable and Consumer Services** seeking \$1,791.77, the amount she had paid minus the cost of the services that the children had received. When the agency contacted the company, it stated that it was in the process of liquidating and provided a form for the consumer to fill out requesting a refund. Since there was no indication of whether and when a refund would actually be made, however, the agency also suggested that the woman request a charge back from her credit card issuer. She did that and received a full credit.

*Businesses can close suddenly, taking customers' deposits and pre-payments with them. If you paid with a credit card, you can dispute the charges with your card issuer. Your state or local consumer protection agency may be able to work with the company to get refunds or resolve other problems.*

### **Maryland**

A new subject of complaint to the **Maryland Attorney General's Office** last year was a business that offered to help families looking for surrogates to give birth to their children. The business charged a significant fee which was supposed to cover trust account fees, attorney's fees, psychological screenings and other costs. After paying the fee, families were asked for additional amounts that were supposedly being placed in escrow accounts for the surrogates. The business did not provide any evidence of the escrow accounts being set up, however, nor did it provide the services it promised. The agency obtained a cease and desist order and is trying to get refunds for customers of the business, which is no longer operating.

*Before you pay for a surrogate service, research whether your state regulates this type of business. There are many websites that provide information about state surrogate laws, though it is difficult to tell in some cases if they are up to date. Your state or local consumer agency may be able to refer you to the appropriate place to get answers about any requirements or consumer protections that apply.*

The **Montgomery County Office of Consumer Protection** investigated a master electrician who convinced 20 homeowners to hire the company he worked for to replace the meterstacks for two residential blocks of townhomes. He instructed them to write the checks out to him personally; later it was revealed that his employer knew nothing about the deal. Having collected a total of \$12,000, he never returned to do the work. He never responded to the agency, either. He did listen, however, when a judge convicted him of theft and ordered him jail time (suspended), probation, and to make restitution.

*If you're hiring a company to perform services for you, be suspicious of any request to pay an individual instead of the business or to pay in cash. Call the company immediately to report it.*

### **Sharing Economy**

#### **District of Columbia**

A consumer rented a vehicle from a car sharing service for a few hours but was charged for five days. The problem began when he was trying to return the car and found that he could no longer start it using his smartphone. He called the business and was assured that it would send someone to pick the vehicle up. He agreed to be assessed a late fee. When he got the receipt, he found that \$800 had been debited from his bank account. He called again and was told that billing disputes were only handled by email. Every time he tried to email, however, he got a "no reply email address" response. The **District of Columbia Attorney General's Office** was able to contact the business and obtain a \$650 refund.

*If you are overcharged for a car sharing service and can't resolve the problem, try to dispute the credit card payment or debit, and if that doesn't work ask your state or local consumer agency for assistance.*

## **New York**

The **New York State Division of Consumer Protection** was confronted with a new kind of problem last year when two New York travelers complained about Airbnb. They rented an apartment in Paris for two months through the platform. Immediately upon arrival, they began to itch and discovered that the apartment was overrun by bedbugs. All of their belongings and their two dogs were also infested. They had to move out and get everything treated to eradicate the pests. After their attempts to get reimbursement from the company failed, the agency stepped in and they received more than \$8,000.

*Websites that enable people to list and find short-term rentals don't necessarily take responsibility if something goes wrong. Read the terms of service to see what the obligations of the hosts and guests are, if there are any guarantees, and what the website operator will do to help resolve problems. If you think you've been treated unfairly, your state or local consumer agency may be able to help.*

## **Timeshares**

### **Tennessee**

Timeshare complaints were the most frequent issue reported to the **Tennessee Division of Consumer Affairs** last year. In one complaint, an older person could no longer travel to use the timeshare or afford to continue making the payments, but the company refused to terminate the contract. The agency mediated the issue with the timeshare company, which ultimately agreed to cancel the contract and forgive the entire balance of \$57,618.

*Tempted to buy a timeshare? Ask yourself: Can you afford it? How does the cost compare to what you normally spend on accommodations when you go on vacation? What happens if you can no longer use it? Resist pressure to agree on the spot. Take the contract home and read it carefully. Check the company's reputation with the Better Business Bureau nearest to its headquarters (find it at <https://www.bbb.org/bbb-locator/>). If you decide to buy, get the total cost, including fees and finance charges, and all promises in writing. Once you sign, you may not be able to cancel.*

## **Towing**

### **Florida**

After the **Hillsborough County Department of Consumer and Veterans Services** assumed responsibility for regulating towing in December 2017, it soon became the #1 complaint to the agency. Here are three examples from the agency's 2018 files:

A student complained that his vehicle was improperly towed from the apartment complex where he lived. He had renewed his registration online but had not yet received the tag when the tow occurred. The agency checked a database for vehicle registrations – the same database that the towing industry uses – and found that the tag was valid as of the time that the consumer paid for it online. The towing company agreed to refund the \$175 charge.

In another case, a vehicle was towed from what turned out to be the wrong property. The property owner did not have a contract with the towing company and denied any responsibility for the vehicle's removal. With the agency's help, the consumer received a \$225 refund from the company.

One towing complaint did not have a happy ending, however. A local physician parked his RV at a storage lot and one day discovered it was missing. He called the police, who told him that it had been towed more than a month before from another location, a produce market 20 miles away. How it got there is a mystery, but the man had to pay \$1,595 to get it back.



*If you believe that you were towed unfairly or improperly, pay the fee to avoid running up storage charges, get a receipt, and contact your state or local consumer protection agency for advice.*

### **New York**

Towing was the fastest-growing category of complaints filed with the **NYC Department of Consumer and Worker Protection** last year. In one of the worst cases, a woman's car was towed after she went into a restaurant to use the bathroom. The tow truck driver told her she could have it back for \$250, when the legal fee is \$125. He also demanded cash, even though tow companies in the city must accept at least one type of credit card. The Agency got her overpayment returned.

*If your vehicle has been towed, pay with a credit card if you can because you can dispute the charges if they are improper, get a receipt, and check with the city or town in which the tow occurred to ask if the tow rates are regulated and how they apply in your case.*

## **Travel and Transportation**

### **Florida**

The **Broward County Environmental and Consumer Protection Division** provided this story from its files last year as an example of the typical travel complaints it receives: A man got a call from a company informing him that his \$1,200 "travel credit" was about to expire. Of course, he didn't have a credit coming to him – it was just a ploy. He agreed to pay \$247 for "travel services" and an additional \$125 "booking fee" for either a cruise or a hotel stay somewhere, during which he would be subjected to a sales pitch for a timeshare or some kind of club membership. He never received the promised details, and needless to say he never took a trip anywhere. The complaint was referred to the **Florida Department of Agriculture and Consumer Services**, which regulates sellers of travel.

*Be wary of offers out of the blue for "free" or low-cost cruises or resort accommodations. They are usually worth very little, if they are provided at all. Furthermore, there are often undisclosed costs and requirements to attend lengthy, high-pressure sales pitches for costly timeshares or travel clubs.*

The following story from the **Florida Department of Agriculture and Consumer Services** shows how low some travel sellers will go. The consumer got a call offering an attractive travel deal, but because she was being treated for cancer and it was difficult for her to make plans, she asked how long she had to book the trip and was told she had 18 months. Sadly, she had a relapse and was not able to travel within that time, so she called to ask if she could get an extension. The answer was yes – if she paid \$600. The company then went out of business. Because it was a licensed seller of travel and had the surety bond required by Florida law, the agency is making a claim to obtain a refund for the woman.

*There is a lot to consider before responding to a travel offer. What is the company's reputation? Is it required to be licensed or bonded in the state where it is located? What is the full cost, and how does that compare to making the arrangements yourself? Are there any strings attached? Learn more at <https://www.consumer.ftc.gov/blog/2019/05/make-it-scam-free-vacation>.*

Another story comes from **Pinellas County Consumer Protection**. A local American Legion chapter hired a charter bus to transport members to Port Canaveral for \$2,380 roundtrip. The agreement was that \$500 would be paid upfront with the balance to be paid when the trip was completed. The bus company debited the group's bank account for the \$500 deposit. Four days later, \$1,000 was debited, followed by \$1,380 the next day, even though the trip had not yet taken place. When questioned, the bus owner said it was a mistake and promised to return the money immediately. He didn't; instead, he withdrew another \$3,500, for a total of \$5,880. A month later he sent a check for \$1,000 as a partial refund, but it

bounced, costing the victims another \$5. Ultimately the bus owner was prosecuted for theft, fined, and ordered to make \$6,488.21 in restitution.

*Get a written agreement for transportation services that shows the total cost and the schedule for payments. Using a credit card is the safest way to pay because you can dispute unauthorized charges without actually being out of pocket for the money yet.*

### **Maryland**

Fraudulent travel arrangements were the fastest-growing complaints to the **Maryland Attorney General's Office** last year. In one case, an individual booked a 47-passenger luxury bus for a group to take on a 7-day trip. Two days before they were to leave, she was notified that the bus had been in a flood. Though she was promised a refund, it never materialized, and the agency was unable to locate the business.

*The safest way to pay for travel is by credit card because you can dispute the charges if the services were never provided.*

### **Ohio**

The worst problem reported to the **Ohio Attorney General's Office** in terms of volume of complaints in 2018 was the sudden shuttering of Discovery Tours, a company that provided trips for school children. Over a six-month period the agency received more than 1,200 complaints, in most cases from parents who had paid between \$500 to \$1,000 for their children to go to Washington DC or other exciting and historic locations. Litigation is ongoing.

*There are many insurance policies for student travel on the market, but not all of them cover situations in which the travel operator goes out of business. Consult with your insurance agent and call companies that offer travel insurance to ask about coverage and costs.*

## **Utilities**

### **Massachusetts**

The **Massachusetts Attorney General's Office** reached a settlement last year with Viridian Energy, LLC, a competitive electricity supplier, regarding allegations of deceptive marketing and sales tactics that lured residents into costly contracts. Despite its claims that consumers would save money, Viridian charged them more than they would have paid if they had remained with their original electric company's service. Furthermore, the consumer agency alleged that the third-party marketer hired by Viridian to sell its electricity door-to-door engaged in widespread misconduct, not only falsely promising savings but misrepresenting an affiliation with consumers' existing utility company and switching people without their authorization. Under the terms of the settlement, Viridian will pay \$4.6 million in restitution. In March 2018 the consumer agency issued a report documenting the aggressive sales tactics of competitive electric suppliers and the fact that consumers paid more, not less, by switching. It called for a ban on these companies signing up new individual residential customers.

*With the option to choose your electricity supplier, you can shop around for the best deal. But beware of misleading sales tactics and be sure to read the fine print. Some suppliers offer fixed rates, others may have variable rates that could start out low but increase dramatically because of weather or other factors. If a salesperson claims to represent your current supplier, check with the company to confirm. You can get more advice about shopping for electricity from your state [public utilities department](#).*

## Consumer Agencies' Biggest Achievements in 2018

We asked state and local agencies to describe their biggest achievements last year in three specific areas: resolving consumer problems or issues; making internal changes to improve their operations; and undertaking new public outreach efforts.

### Resolving Consumer Problems or Issues

#### **Arkansas**

- The **Arkansas Attorney General's Office** launched an investigation last year into the reimbursements that Pharmacy Benefit Managers (PBMs) make to pharmacies in the state. The concern is that the PBMs are setting the reimbursement rates so low that local pharmacies are struggling to remain financially viable. The consumer agency also initiated an investigation of opioid distributors that have contributed to the opioid epidemic in the state.

#### **California**

- In its continued battle against fraudulent immigration services, the **Los Angeles County Department of Consumer and Business Affairs** investigated allegations involving three immigration consultants whose actions collectively generated more than 200 complaints.
- One notable success story for the **San Francisco District Attorney's Consumer Protection Unit** last year was resolving a complaint from a young man who borrowed money from an online company that offered unsecured loans to "high risk" borrowers. Initially he did not understand that he would end up paying the equivalent of 140 percent interest. Because the loan company was owned by an Indian tribe, it claimed to be exempt from state or federal law. Thinking outside of the box, as is often required in such cases, the complaint mediator researched tribal law and found that the company had violated a section regulating loans. After the mediator contacted the tribal council directly, the consumer received a full refund for his interest payments.

#### **Connecticut**

- In 1992, Connecticut was the first state to enact a new car lemon law, and last year the **Connecticut Department of Consumer Protection's** Lemon Law Program returned \$2,621,831 to consumers, an increase of over \$300,000 from 2017.

#### **District of Columbia**

- The **District of Columbia Attorney General's Office** obtained a judgement last year for more than \$425,000 against a business that was operating a student loan debt relief scam. Using telemarketers to promote its so-called "Obama Student Loan Forgiveness Program," the company duped student borrowers into paying fees to be enrolled in repayment plans that are offered for free by the U.S. Department of Education. Under the judgement, 233 District consumers will receive refunds, and the court permanently barred the company from misleading consumers and charging upfront fees for student loan debt relief services.

#### **Florida**

- Resolving a particularly complicated complaint was cited as the biggest achievement by the **Broward County Environmental and Consumer Protection Division** last year. The consumer had purchased bathroom fixtures from a store with a check for \$1,678. The business cashed it, and then a few weeks later attempted to cash it again. Fortunately, it was caught by the consumer's

bank before it could go through. When the consumer returned to the store to ask what happened, she was told that a stack of checks had been discovered and it was unclear whether they had already been deposited, so they were processed again in just in case. About a week later, however, the check was deposited again, and this time the bank didn't catch it in time. Though the bank returned the funds to the consumer, the store charged \$40 to her account for a "redeposit fee." Alarmed by the fact that the store had her checking account and routing numbers and the potential for further unauthorized debits, the consumer closed it. The store ignored her demands to return the \$40 and failed to respond to the consumer agency as well. Finally, the agency got her money back after contacting the company's corporate headquarters.

- The biggest achievement in 2018 for the **Hillsborough County Department of Consumer and Veteran Services** was implementing its new Transportation Service Investigative Program, which was created when the state eliminated the Public Transportation Commission and enforcement for regulations covering taxis, limos, passenger vans and towing in the county was delegated to the consumer agency and the tax collector's office. Last year the consumer agency conducted sweeps in high-frequency transportation locations, issued citations totaling \$9,000, and recovered more than \$5,000 for consumers.
- **Pinellas County Consumer Protection** cited the conclusion of a home improvement case as its most notable success last year. The contractor took money from several consumers in that county and two adjoining counties for interior plantation shutters that were never delivered. Unlike many home improvement cases, this work did not require him to have a contractor's license, eliminating one potential pathway to prosecution. However, the pattern of complaints and the facts uncovered through the investigation enabled the local prosecutor to bring felony charges against the contractor. He eventually pleaded guilty, was ordered to pay \$21,156.63 in restitution to the victims, and was placed on probation, having already spent 106 days in jail.

### ***Maryland***

- For the **Howard County Office of Consumer Protection**, recovering a \$232,570 refund for a woman from a senior living facility was its greatest achievement last year (see page 34).
- Resolving a similar problem for an 87-year-old resident was cited by the **Maryland Attorney General's Office** as one of its particularly notable successes last year (see page 34).
- The **Montgomery County Office of Consumer Protection** brought a successful action to revoke the license of a home builder against whom there were numerous complaints. Among other problems, the company and its owners were accused of performing shoddy work, code violations, and in one case forging a homeowner's signature on an application for a building permit. One couple complained that their new \$2.5 million home was uninhabitable, in part because the air conditioning system was so undersized that in the summer the room temperatures in the upper level of the house hovered around 95 degrees. The company was also accused of diverting materials that it charged homeowners for from one project to another and installing a vent that connected a kitchen to a garage, an unsafe situation.

### ***Massachusetts***

- One of the notable successes for the **Consumer Assistance Council** last year was obtaining a \$6,500 tuition refund from a local college for a student who was forced to withdraw for medical reasons.
- The **Massachusetts Attorney General's Office** cited several major achievements in 2018, including securing \$898,000 from a Florida-based credit union, We Florida, which made loans to

more than 200 Massachusetts students to finance costly and ineffective online study materials and educational services from The College Network, Inc. The school falsely led students to believe that they would earn passing scores on equivalency exams and college credits in fields such as nursing and healthcare administration and arranged for financing through lenders such as We Florida if they could not afford to pay outright for the modules. Another successful case the consumer agency described was against New Penn Financial, LLC, a national mortgage servicing company that agreed to provide \$4 million in relief to Massachusetts residents to settle charges that it failed to provide the help it promised them to avoid foreclosures.

### **Montana**

- For the **Montana Office of Consumer Protection and Victim Services**, one of the most gratifying successes last year was freeing a newly-wed couple from a costly membership in a vacation club. The consumers were on their honeymoon when they were lured into a high-pressure sales presentation and agreed to pay \$10,999 to join the club, even though they were not able to read the contract at that time. When they got home and went through the paperwork, they realized that the vacation club was nothing more than a shoddy discount program offering few, if any, real savings. The company resisted their request to cancel, but as a result of the consumer agency's efforts, which included facilitating communications among the club, the complainants, and their credit card issuer, the couple got a full refund.

### **New Mexico**

- In a case that could have a national impact, the **New Mexico Attorney General's Office** filed suit last year against Vivint Solar Inc. and four of its executive officers alleging that they engaged in systematic unfair and unconscionable business practices, fraud and racketeering. The litigation is ongoing.

### **New York**

- As a result of charges brought by the **NYC Department of Consumer and Worker Protection**, the largest used car dealership in New York City, Major World, was found guilty of thousands of violations of the laws governing used car dealers and the City's Consumer Protection Law, including falsifying consumers' incomes and/or monthly rent obligations on credit applications, falsely advertising the financial terms of deals in print advertisements and on its English and Spanish-language websites, concealing the finance terms of transactions from the consumers making them, failing to provide documents in Spanish when needed, and misleading consumers about their legal rights and about the history, condition and quality of the cars they purchased. The agency obtained more than \$3 million in fines. The agency also obtained a large settlement with the dealership last year to provide restitution and loan payoffs in a timely manner to consumers who were affected by the company's practices.

### **North Carolina**

- In a big win for consumers who are left with federally-backed debt after borrowing to pay for-profit schools for services that are misrepresented or never delivered, the **North Carolina Attorney General's Office** and other state attorneys general obtained \$150 million in federal student loan relief. The agencies had sued the U.S. Department of Education to reinstate the borrower defense rule, which the Administration had refused to implement. It helps defrauded student borrowers get automatic relief from their loan obligations in certain circumstances.

## **Ohio**

- The **Ohio Attorney General's Office** had a notable success in bringing a woman to justice who had convinced a number of people to “loan” her money with false claims (see page 18).
- Getting a full refund of \$2,200 for a consumer who bought a poker table and chairs that were never delivered was particularly satisfying for the **Summit County Office of Consumer Affairs**. The store had promised delivery within a week, then strung the consumer along for months with a variety of excuses for the delay and refused to give him his money back when he said he didn't want to wait any longer. One call from the agency quickly resolved the problem.

## **Pennsylvania**

- The biggest achievement for the **Bucks County Department of Consumer Protection** last year was resolving the influx of complaints it received against trash haulers (see page 36).

## **South Carolina**

- An investigation by the **South Carolina Department of Consumer Affairs** mentioned in last year's report led to a federal indictment against the founders of Kingdom Connected Investments, LLC and Michael and Dana Roush for defrauding consumers through their foreclosure rescue/rent-to-own scams. Two dozen consumers made complaints. Some of them were led to believe that KCI had purchased their homes, freeing them from mortgage payments that they were struggling to make. Others were offered the homes for rent with the promise that their payments built equity that would enable them to buy them. In fact, the mortgages on the homes were never paid off and they ultimately went into foreclosure, leaving both the owners and the renters in terrible financial trouble. The defendants allegedly obtained more than \$1 million through this scheme.

## **Tennessee**

- One successful mediation by the **Tennessee Division of Consumer Affairs** involved a dispute between a business and the service that it used to process customers' credit card payments. The credit card servicing company was holding approximately \$140,000 in payments that were supposed to go into the business' bank account, causing a serious cash flow problem. The consumer agency facilitated communication between the parties and the money was released.

## **Utah**

- In 2018 several of the actions that the **Utah Division of Consumer Protection** had taken over the past few years to enforce the state's Business Opportunity Disclosure Act finally came to fruition. The consumer agency distributed \$472,740 in restitution from nine companies to consumers who had been lured into paying for “e-commerce coaching” that would purportedly help them set up successful businesses on the internet. The companies failed to give consumers the disclosures required for sales of business opportunities and few consumers, if any, made the money they invested in the coaching services back.

## **Virginia**

- One of the biggest achievements for the **Fairfax County Department of Cable and Consumer Services** was resolving a thorny landlord/tenant dispute. The tenant, accusing the landlord of failing to maintain the property and to make repairs in a timely manner, wanted to terminate the lease without penalty, be reimbursed for spending \$433 to replace the refrigerator, and get the security deposit and pet fee refunded. The landlord denied the tenant's allegations and offered to allow the lease to be broken with 30-day's notice, but refused to refund the security

deposit, claiming that the tenant had caused water damage. When the consumer agency asked for documentation that the water damage was caused by the tenant, the landlord was unable to provide it. Ultimately, they worked out an agreement to break the lease without penalty and the tenant also received the reimbursement for the refrigerator and the partial return of the security deposit and pet fee, for a combined savings/refund of \$42,650.

### **Wisconsin**

- Among the major achievements the **Wisconsin Department of Agriculture, Trade and Consumer Protection** cited last year was a settlement with American Dream Home Improvement and its owner to resolve complaints that the company failed to provide customers with lien waivers, notice of their cancellation rights, and warranty documents. The agreement provided more than \$987,000 for restitution, forfeitures, costs, fees and assessments, and required the company to change its contracts and business practices.

### **Making Internal Improvements**

#### **Arkansas**

- Charities' registrations were moved last year from the **Arkansas Attorney General's Office** to the secretary of state, which makes it easier for charitable organizations to comply with filing requirements since that is where they submit their annual reports. The consumer agency still maintains enforcement responsibility for charity violations.

#### **California**

- The **Los Angeles Department of Consumer and Business Affairs** added staff to its Public Policy Unit to help manage major initiatives in the county and advocate for stronger consumer protection laws in the state legislature. The consumer agency also instituted a new partnership with the county counsel's office to pursue litigation against businesses that violate the codes governing businesses and professions and false and misleading advertisements.
- The small team in the **San Francisco District Attorney's Consumer Protection Unit** got a boost in 2018 with the hiring of a new staff member who, among other skills, is fluent in Chinese. Unfortunately, this was temporary and the position is not funded for the 2019-20 fiscal year.

#### **Connecticut**

- Enhancements were made last year to the **Connecticut Department of Consumer Protection's** data systems. The public can now make anonymous complaints online, which is particularly helpful for employees and businesses in occupational trades that want to report problems without being identified. Case workers can now send auto-generated letters by email, speeding communications and cutting expenses for letterhead, envelopes, and postage.

#### **Florida**

- A new Program/Project Coordinator position was added to the staff at the **Broward County Environmental and Consumer Protection Division**, with a new focus on increasing public awareness about the services the agency provides.
- The **Hillsborough County Department of Consumer and Veteran Services** created a Regulatory Compliance section, of which its new Transportation Service Investigative Program is a part. The Regulatory Compliance section encompasses oversight of ten separate ordinances. While integrating the new section involved significant time and effort last year, the benefits to consumer protection and public safety made it worthwhile.

- **Pinellas County Consumer Protection** moved forward with plans to develop a new complaint management system that will allow for detailed case tracking and performance measure tracking, and will make processing complaints and conducting investigations more efficient.

### ***Maryland***

- To address an increase in the number of small businesses asking for help with complaints against other businesses, the **Maryland Attorney General's Office** changed the way it handles them. Previously, it would send a letter to the complainant explaining that the office does not provide assistance in business-to-business disputes, but also sent the complaint to the respondent in case the parties could reach agreement. Last year it began sending a letter to the respondent advising it of the complaint and requesting that it contact the complainant, with a copy to the agency. This has increased the number of business-to-business problems resolved.
- With the help of volunteers, the **Montgomery County Office of Consumer Protection** continued to provide translation and interpretation services in connection with its investigation and outreach function in more languages, and now offers them in Spanish, Mandarin, Korean, and French. Plans are underway to add Vietnamese and Amharic.

### ***Massachusetts***

- The **Cambridge Consumers' Council** transitioned to an online data system used by the state attorney general's office, with which it coordinates and shares complaint information.
- The **Consumer Assistance Council** is also part of that system, and has digitized its entire operation, uploading complaints it receives on paper. The consumer office, which receives grant funding from the state attorney general's office, added that agency's logo to its complaint form, which has improved its success in resolving complaints.
- As previously mentioned, the **Massachusetts Attorney General's Office** began the process last year of integrating the "local consumer programs" with which it coordinates into its complaint management system and database. This has streamlined complaint processing and assignment. It also improved the accuracy of records and the ability to identify trends in business practices.

### ***Montana***

- The **Montana Office of Consumer Protection and Victim Services** implemented a new database system in 2018 that incorporates complaints, information about scams, identity theft reports, data breaches, and licensing programs all in one place. This enables the agency to generate more accurate reports and trend analysis.

### ***New Mexico***

- The **New Mexico Attorney General's Office** put a rapid response plan in place last year to resolve complaints faster and more efficiently. It also created an information management system to track and categorize incoming information. Using a VoIP (Voice over Internet Protocol) phone system has also helped in tracking information. In addition, the agency made filing complaints easier through an electronic complaint process on its website.

### ***New York***

- Last year the **New York State Division of Consumer Protection** launched a comprehensive review of its Do Not Call Enforcement Program to identify needed improvements. As a result, the agency hired an administrative staffer, an attorney, and a former telemarketing executive to



serve as the program's lead investigator. In addition, a new database was developed to better track enforcement efforts and performance metrics.

### **Ohio**

- The **Ohio Attorney General's Office** reviewed how it handles complaints when the respondent fails to respond and made some changes. Instead of simply closing the complaints, they are now reviewed by the Director of Consumer Advocacy to determine if any other action should be taken, such as further investigation or referring them for civil or criminal action.

### **Virginia**

- In 2018 the **Fairfax County Department of Cable and Consumer Services** partnered with other county agencies to create the Silver Shield Anti-Scam Campaign, a taskforce designed to combat fraud against older adults. The members of the task force share information and conduct events at senior centers, retirement communities and other venues to spread the word about fraud prevention and where to go with questions and complaints. It also created a refrigerator magnet that provides information about which agency to contact for advice or to report a scam.

### **Wisconsin**

- 2018 marked the first anniversary of the Wisconsin Consumer Fraud Task Force of which the **Wisconsin Department of Agriculture, Trade and Consumer Protection** is a part. The group, which includes state and federal agencies as well as nonprofit groups such as the Better Business Bureau and AARP, shares information and coordinates activities to combat fraud.

## Undertaking New Public Outreach Efforts

### **Arkansas**

- Floods and other disasters prompted the **Arkansas Attorney General's Office** to launch an initiative last year focusing on emergency preparedness and response. The consumer agency is working with the state department of emergency management to liaison with incident command in the event of disaster situations to share materials with the public and provide other assistance.

### **California**

- Last year the **Los Angeles Department of Consumer and Business Affairs** participated in several public outreach efforts to get public feedback on county initiatives and publicize new programs. These covered a wide range of issues including temporary rent stabilization, mobile home rent regulation, census locations, proposed business regulation fees, an initiative to educate employers and employees about fair employment practices, and sidewalk vending. The consumer agency also worked with federal, state and country agencies to make the public aware of price gouging laws after the disastrous wildfires that the area experienced.
- The **San Francisco District Attorney's Consumer Protection Unit** posted consumer alerts and information about new laws on the agency's social media accounts and monitored "likes" and comments to gain insight into what issues might be best to focus its outreach efforts on.

### **Connecticut**

- A campaign launched last year through television and social media to publicize the **Connecticut Department of Consumer Protection's** Prescription Drug Program increased the quantity of unneeded medication collected in drop boxes to 43,251 pounds across the state. This year, the

program has expanded to include drop boxes at pharmacies in addition to police stations, which may add up to 50 drop boxes per year.

### ***District of Columbia***

- After conducting an investigation of funeral homes to document problems with pricing and sales practices, the **District of Columbia Attorney General's Office** produced a funeral planning guide for consumers that explains their rights, including the right to access pricing information over the phone and in person and to choose only the services they want. The consumer agency also published a survey of the prices for products and services at 38 local funeral homes to illustrate the wide variations in charges and why it makes sense to shop around for funeral needs.

### ***Florida***

- New materials were developed last year to promote the services of the **Broward County Environmental and Consumer Protection Division**. The consumer agency also forged a partnership with the county library system to hold consumer protection events at its branches. In addition, it used social media to inform the public and surveys to engage followers and create a more interactive experience. These efforts resulted in a 33 percent increase in the number of complaints the agency received and boosted the amount that it obtained in refunds and savings for consumers by more than \$15,000.
- The **Hillsborough County Department of Consumer and Veteran Services** continued to focus its public outreach efforts on events during National Consumer Protection Week in March. Last year the agency attracted more than 17,000 consumers through a digital and traditional media campaign that highlighted customized consumer tips. A shredding event was also popular.
- Since Florida continues to rank as one of the top states for identity theft, **Pinellas County Consumer Protection** conducted presentations on that subject to civic organizations, senior groups, and schoolchildren. The agency also partnered with other government and community groups on shredding events to help people safely dispose of documents.

### ***Georgia***

- Last year the **Georgia Department of Law's Consumer Protection Division** developed the Georgia Consumer Protection Guide for Older Adults, a comprehensive guide designed to help seniors avoid fraud and exploitation, make wise choices about their finances and well-being, and navigate some of the challenges that come with aging. It covers scams and fraud, identity theft, credit and debt, long-term care, advance directives, reverse mortgages, and elder abuse. In addition to being available to download from the agency's website, more than 27,000 hard copies of the publication were disseminated to older adults throughout the state.

### ***Maryland***

- In 2018 the **Maryland Attorney General's Office** began using NextDoor, a social media website that reaches out to people in neighborhoods, to disseminate consumer information. The agency posts articles on a bi-weekly basis about scams and other consumer issues and invites individuals to visit its website to get more information, file complaints, or join its volunteer program. This new outreach has generated a very positive response.
- The **Montgomery County Office of Consumer Protection** is also using NextDoor for public outreach, as well as a subscription service, GovDelivery. Last year it made an effort to collect the email addresses for community media outlets and local blogs in order to widen its distribution of press releases, scam alerts, and other consumer information.

### **Massachusetts**

- The **Consumer Assistance Council** created new, easier-to-read materials for the elder population it serves. It also translated its complaint form into Portuguese, revised its website for ease of navigation, added Facebook to its tools to reach consumers, and formed collaborations with disability groups to reach that population with consumer information.
- In an effort to reach young adults, the **Consumer Assistance Office – Metro West** set up a table at a local college cafeteria once a month and used incentives such as food and gift certificates to entice students to stop by and pick up consumer education materials.
- Last year the **Massachusetts Attorney General’s Office’s Community Engagement Division** launched a consumer education webinar series as a way to provide social service organizations across the state with information they can use with their clients. Webinar topics included identity theft and scam protection, consumer protection, immigration scam prevention, landlord/tenant rights and responsibilities, and charitable solicitations. More than 350 service provider representatives participated. The agency’s Consumer Advocacy and Response Division also helped create the Massachusetts Elder Identity Theft Coalition with a grant from the National Identity Theft Victims Assistance Network through the Identity Theft Resource Center. Partnerships have been formed with 31 entities including state agencies, law enforcement, legal service offices, elder advocacy organizations, and others. Forty events were held, and 1,800 elders and advocates received training.
- The **Northwestern District Attorney’s Office Consumer Protection Unit** faced a challenge last year: how to teach high-school students about financial literacy without making it a boring lecture. The answer was to create an interactive computerized game, which it did with the help of an intern. It’s educational, competitive, and fun. The experience is sweetened by awarding candy to the winning teams. One of the benefits of the game format is that it can be tweaked for different audiences and to cover a variety of topics. The agency is now working on a game for veterans and another one on scams targeting vulnerable populations, including seniors.

### **Montana**

- One of the ways that the **Montana Office of Consumer Protection and Victim Services** reached out to the elder population last year was by working with AARP. The agency appeared every two weeks on a television program, the Fraud Watch Network, coordinated by AARP Montana and a local news station, to provide information about various types of scams and other consumer issues. In partnership with AARP, the agency also began planning and creating materials for a program to train volunteers to give presentations in their communities about fraud prevention.

### **New Mexico**

- The **New Mexico Attorney General’s Office** conducted outreach at schools last year about cyber-bullying and cyber-safety.

### **New York**

- In 2018, the **NYC Department of Consumer and Worker Protection** launched a public awareness campaign entitled “We All Need a Coach Sometimes” to celebrate the 10<sup>th</sup> anniversary of the City’s Financial Empowerment Centers. Playing on the parallels between physical and financial health, the multilingual campaign encourages individuals to take advantage of free, one-on-one coaching with a financial counselor. The goal is to help shift the stigma associated with money

and debt problems so people will take the necessary steps to improve their financial health, just as they care for their physical well-being. The campaign was advertised in the city's subway cars, bus shelters, telephone kiosks, WiFi kiosks, as well as in print, on radio and online.

- Last year the **New York State Division of Consumer Protection** focused on raising awareness of child identity theft and the importance of safeguarding children's personal information. The agency participated in a press conference organized by the New York Better Business Bureau during National Consumer Protection Week to provide parents with information about the steps they can take to protect their children. Later that year the agency launched a "Back to School" media campaign about child identity theft and the ability of parents to freeze their children's credit records under a new federal law.

### **North Carolina**

- As Hurricanes Florence and Matthew neared the mid-Atlantic coast, the **North Carolina Attorney General's Office** warned residents about common disaster-related scams and how to avoid them. It also conducted post-disaster outreach, with staff visiting hard-hit areas and distributing fact sheets to people in shelters and through FEMA about charity scams, home repair scams, sales of flood-damaged cars, price-gouging and other issues. In addition, it held a press conference about disaster charity scams and used a variety of media to provide information in English and Spanish to the public. In another initiative last year, the agency created and distributed a military consumer guide covering common scams, identity protection, and state and federal laws that protect service members from abuses in rental housing.

### **Ohio**

- The Scam Squad that the **Cuyahoga County Department of Consumer Affairs** created several years ago continued its efforts to push information out to the public and encourage people to report fraud. An increasing number of police departments in the county are using the agency's Police Visor Card, a pad that is designed to go in cruisers and has tear-off sheets listing places that people should contact for different types of problems. All a police officer has to do is check the appropriate places in a given situation and hand the sheet to the person. Last year social service members of the Scam Squad created a similar tear-off pad for social workers to use. The consumer agency also has a dedicated Scam Squad line and acts as a clearinghouse in order to route information from individuals to the right places without their having to make additional calls. From 2017 to 2018 the number of scam reports it received nearly doubled.
- Last year the **Ohio Attorney General's Office** achieved its goal of conducting a consumer education event in each of its 88 counties, reaching over 11,000 people throughout the state.
- The **Summit County Office of Consumer Affairs** obtained funding last year that will enable it to provide presentations to senior groups about spotting and stopping scams and to conduct weekly financial literacy classes to job seekers at the county job center.

### **South Carolina**

- Last year the **South Carolina Department of Consumer Affairs** launched an extensively revamped website that makes it easier for people to find consumer education materials and other information. The work was done through a partnership between the agency and South Carolina Interactive, which provides e-government services to the state. Among its many features, there is a drop-down menu to help users get the answers to frequently asked questions, recent news is more prominently displayed, and there is a calendar showing upcoming public presentations, meetings, and other events.

### **Tennessee**

- Since home improvement has historically been a top complaint category at the **Tennessee Division of Consumer Affairs**, the agency conducted a marketing campaign at the beginning of 2018 to promote a state website that can be used to confirm whether contractors are licensed. The campaign also highlighted consumer tips on selecting contractors. Through advertisements on social media and in printed materials, the campaign reached nearly 400,000 consumers. When the top complaint categories for 2018 were compiled, the home improvements category had moved from the top spot to the third spot.

### **Utah**

- The **Utah Department of Commerce**, of which the **Utah Division of Consumer Protection** is a part, co-hosted a Consumer Fraud and Business Symposium last year with the Federal Trade Commission. It brought together 280 people from legislative offices, enforcement agencies, nonprofit organizations, businesses and the general public to discuss how to combat fraud.

### **Virginia**

- Last year the **Fairfax County Department of Cable and Consumer Services** partnered with the county government channel to launch a monthly Facebook live program called Consumer Connection. Hosted by the agency, the programs feature discussions with guests on a variety of topics such as online safety, landlord/tenant rights and responsibilities, and vacation rentals.

### **Wisconsin**

- In cooperation with the state attorney general's taskforce on elder abuse, the **Wisconsin Department of Agriculture, Trade and Consumer Protection** created a new bookmark that provides information for seniors about scams that target that population.

## Methodology

This report is based on a survey of state and local consumer agencies. These agencies handle a wide range of consumer issues, and this report is intended to provide insight into the complaints that consumers made to them in 2018. CFA did not survey federal agencies or agencies that only deal with one issue, such as securities, nor did it conduct a random survey of consumers. Therefore, this report does not purport to measure all of the problems that consumers encountered in the marketplace last year. The survey was conducted from February to May 2019 and covers a one-year period, in most cases January through December 2018 (some agencies keep records on a different basis, such as July through June; all were asked for data for the most recent 12-month period available).

Thirty-five agencies from 21 states participated in the survey. Of those, 17 are state agencies, including for purposes of this report the District of Columbia; 13 are county; 2 are city; one, San Francisco, is both a city and a county; and two, the Consumer Assistance Office – Metro West and the Consumer Assistance Council, cover a region within a state (see Appendix A for the list of participating agencies). All are government agencies except for the Consumer Assistance Office - Metro West and the Consumer Assistance Council in Massachusetts, which are nonprofit organizations that receive state funding to handle complaints and educate the public in their areas.

The survey asked respondents to list the top ten complaints that their agencies received during the survey period, the worst complaints, the fastest-growing complaints, and new types of problems that consumers reported. There is no uniform set of complaint categories that all agencies use. Some agencies use general complaint categories, while others break complaints into more specific categories. For instance, some record all car-related complaints in “auto,” while others use separate categories for new car sales, used car sales, auto repairs, auto leasing, and towing. In the report, complaints were grouped under general subject headings as necessary.

CFA also asked what new consumer protections had been enacted in agencies’ jurisdictions last year. Finally, CFA asked the agencies to describe their greatest achievements in 2018 in the areas of resolving consumer problems or issues, making internal improvements, and undertaking new public outreach efforts.

The combined number of complaints these agencies received last year does not include the number of inquiries they received. It is also important to note that the number of consumers who benefitted from agencies’ enforcement actions is often higher than the number of complaints they received. Similarly, the total amount of money recovered and saved for consumers is understated because some agencies only provide us with the figures that result from mediation, some only provide the amounts of restitution or billing adjustments that resulted from enforcement actions, some combine both, and some include the results of administrative actions, arbitration and guaranty funds.

Additionally, these statistics do not include the amounts that people avoiding losing because of the advice that these agencies provided or the savings to courts and businesses due to their informal complaint resolution efforts.

Agencies were asked to provide examples of complaints. Not all did so, and in the examples that were provided, the names of the businesses were not always included. In some cases, that information is not publicly available because the investigation is ongoing or because of the terms of a settlement.

## Appendix A

### Agencies Participating in the 2018 CFA Consumer Complaint Survey

#### **Arkansas**

Arkansas Attorney General's Office  
[www.arkansasag.gov](http://www.arkansasag.gov)

#### **California**

Los Angeles County Department of Consumer and Business Affairs  
[www.dcba.lacounty.gov](http://www.dcba.lacounty.gov)

San Francisco District Attorney's Office Consumer Protection Unit  
[www.sfdistrictattorney.org](http://www.sfdistrictattorney.org)

#### **Connecticut**

Connecticut Department of Consumer Protection  
[www.ct.gov/dcp](http://www.ct.gov/dcp)

#### **District of Columbia**

District of Columbia Attorney General's Office  
<https://oag.dc.gov/consumer-protection>

#### **Florida**

Broward County Environmental and Consumer Protection Division  
[www.broward.org/consumer](http://www.broward.org/consumer)

Florida Department of Agriculture and Consumer Services  
[www.floridaconsumerhelp.com](http://www.floridaconsumerhelp.com)

Hillsborough County Department of Consumer and Veteran Services  
[www.HCFLGov.net/Consumer](http://www.HCFLGov.net/Consumer)

Orange County Consumer Fraud Unit  
[www.ocfl.net/?tabid=1098](http://www.ocfl.net/?tabid=1098)

Pinellas County Consumer Protection  
[www.pinellascounty.org/consumer/](http://www.pinellascounty.org/consumer/)

#### **Georgia**

Georgia Department of Law - Consumer Protection Division  
[www.consumer.ga.gov](http://www.consumer.ga.gov)

#### **Maryland**

Howard County Office of Consumer Protection  
[www.howardcountymd.gov/consumer](http://www.howardcountymd.gov/consumer)

Maryland Attorney General's Office  
[www.marylandattorneygeneral.gov](http://www.marylandattorneygeneral.gov)

Montgomery County Office of Consumer Protection  
<https://www.montgomerycountymd.gov/ocp>

#### **Massachusetts**

Cambridge Consumers' Council  
[www.cambridgema.gov/consumercouncil.aspx](http://www.cambridgema.gov/consumercouncil.aspx)

Consumer Assistance Council  
[www.consumercouncil.com](http://www.consumercouncil.com)

Consumer Assistance Office - Metro West  
[www.caomw.org](http://www.caomw.org)

Massachusetts Attorney General's Office  
<https://www.mass.gov/ago>

Northwestern District Attorney's Office  
<http://northwesternda.org>

#### **Montana**

Montana Office of Consumer Protection and Victim Services  
[www.dojmt.gov/consumer/](http://www.dojmt.gov/consumer/)

#### **New Jersey**

Ocean County Department of Consumer Affairs  
<https://www.co.ocean.nj.us/OC/ConsumerAffairs/>

### **New Mexico**

New Mexico Attorney General's Office  
[www.nmag.gov](http://www.nmag.gov)

### **New York**

NYC Department of Consumer and Worker  
Protection  
[www.nyc.gov/dcwp](http://www.nyc.gov/dcwp)

New York State Division of Consumer Protection  
<http://www.dos.ny.gov/consumerprotection/>

### **North Carolina**

North Carolina Department of Justice  
<http://ncdoj.gov/Consumer>

### **Ohio**

Cuyahoga County Department of Consumer Affairs  
<http://consumeraffairs.cuyahogacounty.us/>

Ohio Attorney General's Office  
[www.OhioAttorneyGeneral.gov](http://www.OhioAttorneyGeneral.gov)

Summit County Office of Consumer Affairs  
<http://consumeraffairs.summitoh.net>

### **Oregon**

Oregon Department of Justice  
<http://www.oregonconsumer.gov>

### **Pennsylvania**

Bucks County Department of Consumer Protection  
[www.BucksCounty.org/ConsumerProtection](http://www.BucksCounty.org/ConsumerProtection)

### **South Carolina**

South Carolina Department of Consumer Affairs  
[www.consumer.sc.gov](http://www.consumer.sc.gov)

### **Tennessee**

Tennessee Division of Consumer Affairs  
[www.tn.gov/consumer](http://www.tn.gov/consumer)

### **Utah**

Utah Division of Consumer Protection  
<https://dcp.utah.gov/>

### **Virginia**

Fairfax County Department of Cable and Consumer  
Services  
[www.fairfaxcounty.gov/cableconsumer/](http://www.fairfaxcounty.gov/cableconsumer/)

Virginia Attorney General's Office  
[www.oag.state.va.us](http://www.oag.state.va.us)

### **Wisconsin**

Wisconsin Department of Agriculture, Trade and  
Consumer Protection  
<http://datcp.wi.gov>



## Appendix B

### Tips from the 2018 CFA Consumer Complaint Survey Report

#### Auto

*Since there is no automatic right to cancel a car purchase, resist pressure to sign on the dotted line immediately. Shop around to find the car that's best for you, at a price you can afford.*

*There is no valid reason why someone at a car dealership would ask you to pay cash for anything or to make out a check to a person's name rather than the business. Insist on a written contract that itemizes all the charges and shows all the payments you made.*

*When you rent a car, inspect it carefully before leaving the lot and insist that any damage, even minor scratches or dents, be described on the rental agreement. Don't be intimidated into accepting responsibility for damage that did not occur while you had the car. If charges are made to your credit or debit card unjustly, contact the financial institution as soon as possible to contest them.*

*Need to borrow money to buy a car? The interest and other fees can add significantly to the total cost. Look into getting a loan from your bank or credit union. If you are financing the purchase through the dealer, read the agreement carefully to make sure it accurately reflects what you were told, and ask for any fees or add-on charges to be explained. If you're not satisfied or the cost is too high, walk away.*

*Before you buy a used car from a dealer or an individual, get information about your rights and the seller's responsibilities from your state or local consumer protection agency.*

*Buying a car can be an overwhelming experience for anyone. Bring someone with you – a social worker, a friend, or someone else you trust – to help you navigate the process.*

*Vehicle repairs may take longer than expected if the shop can't get the parts or the mechanic discovers that additional work is needed. Keep in touch with the shop and make notes about the dates of each conversation, who you talked to, and what was said. You may want to check with parts suppliers, the manufacturer or another repair shop to ask if what you are being told makes sense. If you think that you're being strung along, ask your state or local consumer agency for help.*

*While reports that CARFAX and other companies produce about vehicles' histories can be helpful, they may be incomplete and are no substitute for having a good mechanic thoroughly check out the used car you're considering before you decide whether to purchase it.*

*Get advice from a lawyer or an accountant before changing the terms of any finance agreement because of a death in the family or other personal circumstances.*

*You might have the right to return a car if the dealer concealed information about previous damage or other problems that could have affected your decision to buy it. Some states require dealers to repair cars with open recalls before selling them. Ask your state or local consumer protection agency for advice.*

*Thinking about trading in a car that you still owe money on? Since it's frequently cheaper to repair a car than to replace it, you might be better off financially if you wait until you can pay off your existing car loan before you buy another vehicle. But if you can't delay, get the dealer's promise to pay off the loan on your trade-in in writing and follow up with your lien holder within 30 days of signing the contract to confirm that the promise has been kept. If you're buying a used car, don't take it from the dealer's lot until you have all of the paperwork you need to register it in hand.*

*If you're considering buying a car, shop around and don't commit to anything until you have read the contract and the finance agreement carefully to make sure you know the terms and cost of the deal. Don't be rushed or pressured, ask questions, and if there is anything you still don't understand, show the paperwork to someone you trust before you sign.*

*Eyeing a used car? Get its previous history so you'll know what you're bargaining for. Most states participate in the National Motor Vehicle Administration, through which you can get information about the title, whether the mileage that shows on the odometer is accurate, and whether the car was previously declared a total wreck. Approved companies that sell car histories are listed at its website, [www.vehiclehistory.gov](http://www.vehiclehistory.gov). But be aware that not every problem may show up in these reports, so you should always bring the vehicle to a mechanic to be inspected before you sign on the dotted line.*

*Extended warranties aren't usually worth the additional cost and don't provide much more protection than you already have under the warranty that comes with the car and your insurance coverage. If you are considering buying a used car without a warranty, as some states allow, ask your state or local consumer agency what your rights are if something goes wrong. And if you do buy a warranty, confirm with the warranty company that it has a record of that.*

### **Communications**

*Before you sign up for phone or Internet service, read the terms carefully, including the cancellation policy. Should you decide later that you no longer want the service or equipment, take care to follow the instructions to cancel. Keep copies of everything and notes about conversations you have with company representatives, and get a receipt for any equipment you returned. If you are billed in error and can't resolve the problem, ask your state or local consumer agency for advice.*

*Before you sign up for phone service, explore the different calling plans that the company offers. Get information from its website or its customer service about the costs and coverage so you can choose the plan that fits your calling needs and your wallet the best.*

### **Credit/Debt**

*If you're struggling to make the payments on your student loan, offers for "debt relief" are tempting. But beware of scammers that are ready to take your money and never provide the help they promised. This video from the Federal Trade Commission describes how student loan debt relief scams work: <https://www.ftc.gov/news-events/audio-video/video/student-loan-debt-relief-scams>. The Consumer Financial Protection Bureau provides information about options for paying student loan debt, <https://www.consumerfinance.gov/paying-for-college/repay-student-debt/>, dealing with debt collection, <https://www.consumerfinance.gov/ask-cfpb/category-student-loans/debt-collection-and-rehabilitation/>, and programs that might help you, <https://www.consumerfinance.gov/ask-cfpb/what-is-public-service-loan-forgiveness-en-641/>.*

*Stand up for your right to question bills you think are incorrect or charges you feel are unfair. Don't be pressured to pay debts you don't owe.*

*Under federal law, if you tell debt collectors, in writing, not to contact you again, they are not allowed to contact you further except to confirm they will stop contacting you, or to inform you that a specific action, like filing a lawsuit, will be taken. It's also illegal for debt collectors to call with annoying frequency, falsely say they're going to take legal action, use obscene language, threaten you with bodily harm, or reveal information about your debt to someone else. The Federal Trade Commission provides information about your debt collection rights at [www.consumer.ftc.gov/articles/0149-debt-collection](http://www.consumer.ftc.gov/articles/0149-debt-collection). You may also have rights under state law; check with your state or local consumer protection agency.*

*Need help modifying your mortgage or avoiding foreclosure? For information about your options and assistance from the government go to [www.makinghomeaffordable.gov](http://www.makinghomeaffordable.gov). To talk to a housing counselor certified by the U.S. Department of Housing and Urban Development, call 888-995-4673, TTY 877-304-9707. These services are free. Your state or local consumer protection agency may also be able to help.*

*When loans are sold confusion can occur if the records that are transferred are incorrect or paperwork is lost. Keep copies of all documents and correspondence at hand in case there is any question about what you owe or funds that are owed to you.*

*If there is a mix-up about a debt because someone has a name similar to yours and your efforts to correct it aren't successful, ask your state or local consumer agency for help.*

*Under federal law consumers have the right to dispute debits they did not authorize or that are for the wrong amount. While that law does not apply to businesses, it doesn't mean that that your company has no recourse if your account is debited incorrectly. If you can't resolve the problem, talk to your bank. Your state or local consumer agency may also be able to assist you.*

## **Fraud**

*Online dating sites, social media sites and other forums on the internet make it possible to meet people from all over the world. But they're also places where scammers lurk, waiting for someone to come along who wants to be friends – or maybe something more – and building a fake relationship with the person until the time is ripe to ask for money. Once you've sent the cash, you can kiss it, and your "sweetie," goodbye. More information about these scams is at [http://www.fraud.org/sweetheart\\_swindles](http://www.fraud.org/sweetheart_swindles).*

*Using a money transfer service such as Western Union is like putting cash in an envelope and mailing it to someone. That's why it's one of the preferred payment methods for fraudsters. They pick the money up quickly, in cash, often using phony identification, making it impossible to trace them. Only use these services to send money to people you know personally. And if you're asked to use PayPal and lie about your relationship with the recipient, don't do it! If you've been duped into sending a fraudster money through any kind of payment service, contact it immediately to ask if anything can be done to help you.*

*Gift cards are increasingly popular with scammers. As with money transfers, they're like cash. With the numbers from the cards people can make purchases or sell them to others to use. No one would legitimately ask you to buy gift cards to pay fines, legal fees, taxes, or for any other purpose.*

*While many scams begin with an email, an online posting, or a phone call from a stranger, it's also wise to be wary if someone you know asks for money. It could ruin a friendship, and leave a hole in your wallet, if the person doesn't pay you back. Also watch out for "affinity fraud," where someone uses a common bond such as religion, race, or country of origin to solicit funds or promote a money-making opportunity. To learn more, go to <https://www.consumer.ftc.gov/blog/2013/06/strange-affinity>.*

*Crooks take advantage of human nature – who wouldn't be excited to be told that they've won a lottery or sweepstakes? But if you'd really won, you wouldn't be asked to send money for taxes, (which would automatically be deducted), processing fees, or anything else. That's a clear sign of fraud, and if you take the bait, you'll be hit up for more and more money until you have nothing left.*

*No one – not the sheriff's department, not the police, not someone at the courthouse, is legitimately calling people demanding money for missing jury duty and threatening them with jail if they don't pay. And if you do owe money for fines, child support or to comply with other legal obligations, you won't be asked to pay with gift cards, prepaid cards, or by using money transfer services. If you get this type of call, hang up and contact the office that the person claimed to represent to report the scam.*

*Text support scammers advertise online and also solicit victims by phone and email. Often pretending to be from well-known companies, they ask for money but don't do any work. They may claim that there is a problem with your computer when there isn't, and even worse, they may cause a problem with your computer and then demand money to fix it. If you need computer help, find a local vendor. Never let anyone who contacts you out of the blue have access to your computer. If while browsing on the internet, you receive a pop-up window warning you that your computer is infected or there is an "error" and you must call a number or click a link for tech support help, press Control+Alt+Delete, and use the Task Manager to close out the pop-up window. Do not click a link, call the number listed or attempt to use the "X" in the corner to close the pop-up. Learn about the "tech support scam" at <https://www.consumer.ftc.gov/articles/0346-tech-support-scams>.*

### Health Products/Services

*If you're considering buying expensive health or beauty products, ask friends if they have used them and do some research through review sites to help you determine if they work as claimed and are worth the cost. Also check the vendor's return policy, as you may not be able to change your mind after purchase.*

*Sometimes health care providers and insurance companies make mistakes, resulting in charges that you shouldn't have to pay. When a bill is submitted to your insurance company you will receive an Explanation of Benefits (EOB) that itemizes the charges and shows what the insurance will pay and what is your responsibility. If you have questions about an EOB or a bill for health care services, contact the company that sent it to you immediately. Your state or local consumer agency may be able to help if you can't resolve the matter.*

*Using a credit card is the best way to pay for goods or services in advance of receiving them because you have the legal right to dispute the charges if you don't get what you were promised. Some states require health clubs to post bonds to protect consumers, but there is no guarantee that the bonds will be enough to cover all claims. Finding a health club that allows you to "pay as you go" may be the safest bet.*

*Get details of your health insurance coverage in writing. If you believe that your claim was wrongly denied, follow the procedures described in the policy for disputing the decision. Your state insurance department or state or local consumer agency may be able to help if you can't resolve the issue.*

*Hearing aids are expensive so it's a good idea to do some research before you make your purchase. Check the seller's reputation, ask if you can try the hearing aids out for a period of time, get information about the warranty, and find out if loaners will be provided in case repairs are needed. For more tips on buying hearing aids, go to <https://www.consumer.ftc.gov/blog/2017/06/tips-buying-hearing-aid>.*

*When you join a health club or gym, you should get a copy of the agreement that spells out the terms and cost. Don't rely on what an employee says about your ability to cancel and other things – if it's not in the contract it may be hard to prove promises that were made or hold the company to them.*

## Home Improvement/Construction

*Some construction problems can take years to become evident. Even if your warranty has expired, you should contact the contractor as soon as you discover the problems. Take pictures and keep notes as documentation. If the issue is faulty materials, it's likely that other homeowners are having the same problem. Report it to your state or local consumer agency, and ask for advice about next steps.*

*Pay only a small deposit when you contract for home improvement work; some state laws limit the percentage of the total price that can be requested upfront. Get a written contract that sets out the work and payment schedule. Payments should be proportionate to the work done and the supplies that have been ordered.*

*Before having a home constructed consult with an attorney about whether a performance bond or other protections can be built into the sales agreement. Get all promises and warranties in writing and bring any problems to the builder's attention promptly. Photos and videos can be very helpful to document defects in materials or construction.*

*Get estimates from a few contractors and ask for referrals to previous customers so you can check on their reliability and the quality of their work. You may also find useful information about contractors from the Better Business Bureau and other sources by searching online.*

*Many states have enacted laws concerning solar sales and leases. Before you sign a contract, ask your state or local consumer agency about your rights and the company's responsibilities. Be sure you understand the terms and what will happen if you decide to sell your home or no longer want solar power. Get a written contract that spells out everything you've been told. The Solar Energy Industries Association offers free guides at <https://www.seia.org/initiatives/solar-customer-resource-portal>.*

*Ask your state or local consumer agency if companies that install solar panels must be licensed or registered and check on whether the ones you are considering have met those requirements. Also ask if there is a guaranty fund or bond to protect you if the work is not up to par.*

*One way that homeowners can finance the purchase and installation of solar systems, replacement windows and other energy efficiency improvements is through PACE (Property Assessed Clean Energy) loans. These are authorized by local governments under state laws. The contractors enroll the homeowners in the PACE program and the loan payments are collected through their property tax bills. If there is a problem – the tax payments are unaffordable, the sales company made misleading claims about energy savings, the installation was faulty or not done – the homeowner can't simply stop paying, because there is a tax lien on the property. If you are considering any type of loan that results in a lien, get legal advice to make sure you understand the terms and that it's suitable for you. Also check whether you are eligible for free or low-cost energy efficiency programs that might be better alternatives.*

*Before you hire a contractor, ask your state or local consumer agency if the work that you want done requires a license or registration, and if it does, how to check to confirm that the person or company has done that. While having a license or registration is no guarantee that the contractor will do a good job, failure to comply with the requirements could be a sign that the contractor is irresponsible.*

*Unhappy with work that was done on your home? Sometimes it is helpful to get an independent opinion about what the problem is, whether the contractor should be responsible for it, and how much it will cost to fix. Get a written statement and a receipt for any payment you had to make for the inspection. If you can't resolve the issue with the contractor, ask your state or local consumer agency for assistance.*

To protect consumers from high-pressure door-to-door sales tactics, federal law provides the right to cancel purchases for more than \$25 made at home or somewhere other than the seller's normal place of business. If you are not given notice of that right at the time of sale, your right to cancel continues. There are some exceptions. You may also have cancellation rights and other grounds for terminating a contract under state law; ask your state or local consumer protection agency. To learn more go to [www.consumer.ftc.gov/articles/0176-buyers-remorse-when-ftcs-cooling-rule-may-help](http://www.consumer.ftc.gov/articles/0176-buyers-remorse-when-ftcs-cooling-rule-may-help).

If the contractor's work doesn't look right to you, hold off on making the final payment until you resolve the issue. Ask your state or local consumer protection agency for advice.

Before you hire someone to inspect your home for mold, radon, or other issues, ask your state or local consumer agency if a license or registration is necessary to do that work and, if so, how to confirm that the inspector is in compliance. You may also want to look into whether the inspector is certified by an industry association. One good resource is the National Association of Certified Home Inspectors, through which you can find inspectors who have met industry standards for practices and ethics. Go to <https://www.nachi.org/certified-inspectors>.

If a contractor fails to finish the job, keep notes of your attempts to communicate with the person and take photos to document the situation. You may need to hire someone else to complete the work in order to prevent damage to your home. Ask your state or local consumer agency for advice about next steps.

According to the Insurance Information Institute, a public adjuster is an independent insurance professional that you can hire, at your own expense, to help you settle an insurance claim. It is not the same as the adjuster that your insurance company may provide, at no cost to you, to evaluate your claim. To prevent conflicts of interest, some states bar public adjusters from acting as contractors to make the repairs covered by the claims they're handling.

Never pay the full amount for home improvement work until the job is done. You have no leverage if the work is incomplete or unsatisfactory.

Be sure the contract specifies the date that the work will begin. While there may be legitimate reasons for delays, such as problems obtaining materials or other jobs taking longer than expected, the contractor should let you know and provide you with a new starting date.

### **Home Solicitations**

Under federal law, if you receive merchandise you didn't order you're entitled to keep it as a gift. Of course, it's a good idea to contact the sender to clear up errors and make sure you won't be billed. Don't be pressured into paying for something you never agreed to buy. To learn more, go to <https://www.consumer.ftc.gov/articles/0181-unordered-merchandise>.

There are legitimate reasons for showing a number on Caller ID that is different than the number being used to make the call. For instance, a business might want to display a toll-free number that consumers can use to call back. It's illegal, however, to transmit misleading or inaccurate Caller ID to defraud or harm someone. Learn more at <https://www.fcc.gov/consumers/guides/spoofing-and-caller-id>.

Telemarketers must get your permission before making sales calls to you using autodialing equipment or prerecorded messages. If someone is violating your robocall or other calling rights, chances are it's a scam. Telephone companies are working on ways to block unwanted robocalls and stop fraudulent Caller ID spoofing. Ask your landline and/or wireless phone service provider what tools are available to you. For more information go to <https://www.fcc.gov/consumers/guides/stop-unwanted-robocalls-and-texts>.

*If your phone number is on the federal or a state “Do Not Call” registry and you’re getting sales calls from companies that you don’t do business with, or you’re getting pre-recorded sales calls from a company that you never gave written permission to make those kinds of calls to you, it’s a violation of your telemarketing rights. Learn more about your calling rights and where to report violations at [http://consumerfed.org/consumer\\_info/understanding-your-telemarketing-rights/](http://consumerfed.org/consumer_info/understanding-your-telemarketing-rights/).*

### **Household Goods**

*If an appliance is defective, don’t take it lying down – insist it be repaired or replaced, even if the store has a “no returns” policy.*

*Buying a mattress? It’s an expensive item and you don’t have the automatic right to return it if you don’t like it, so use care. Don’t just rely on the salesperson; do research on the best type of mattress to meet your needs, shop around, and try out several mattresses in stores before deciding which one to purchase.*

*Check the cancellation and refund policy before you make any major purchase. Paying with a credit card gives you the strongest protection because you can dispute the charges if you have a problem and can’t resolve it with the business. But you may not have a leg to stand on if you’ve simply changed your mind.*

*Some states require stores to prominently display their return policies so that consumers will have that information before they make their purchases. Just printing it on the receipt is not sufficient because consumers would only see that after the sale.*

*In addition to the manufacturer’s warranty, you may be able to insist on a repair, replacement or refund if the product doesn’t work as it should for a reasonable period of time. If you can’t resolve the problem, ask your state or local consumer agency for help.*

*Even if there is a warranty, you may have to be persistent to get repairs or a replacement. Keep notes of your communications with the company, including the dates, who you dealt with, and what you were told in case you need that information to make a complaint or take other action to enforce your rights.*

*If a faulty appliance damages your home, notify the retailer and the manufacturer immediately. Take pictures to document the problem and be persistent but polite in your demands to make things right.*

### **Identity Theft**

*Federal law now gives individuals the right to freeze their credit reports for free, whether they are identity theft victims or not. This is the best defense against new accounts being fraudulently opened using your stolen personal information. The Federal Trade Commission provides information about how to do this at the three main credit reporting agencies, see <https://www.consumer.ftc.gov/articles/0497-credit-freeze-faqs>. But many telephone companies use another credit reporting agency, the National Consumer Telecommunications and Utilities Exchange (NCTUE), to check consumers’ payment histories before opening new accounts in their names. Some gas, electric, water and cable companies also use the information from NCTUE in their approval process. If you have a file there, you can freeze it for free as well. Call 1-866-349-5355. You can lift the freezes when needed and reset them, again at no charge.*

### **Internet Sales**

*Using a credit card is the safest way to pay for online purchases because federal law gives you the right to dispute the charge within 60 days of receiving the first bill on which it appears if it’s for the wrong amount, you never got the merchandise, or what you got is different than what you were promised.*

When you order something by phone, by mail, or online, federal regulations require the items to be shipped by the time promised, or if no delivery date was specified, within 30 days. If the delivery is delayed, you must be notified and given the options to wait longer or cancel for a refund. Contact your state or local consumer agency if you have a problem with an order and can't resolve it with the seller.

Some states have laws requiring ticket resellers to make clear, prominent disclosures about who they are and what they're offering. Look at websites carefully to make sure you know what you're getting.

Something that's "free" can cost you big bucks if it's actually a "free trial offer" in which you will receive more goods or services every month – and be charged for them – unless you cancel within a certain time. The terms of these offers are sometimes hidden in fine print or not disclosed at all. If charges you never agreed to appear on your credit card or bank statement, contact the financial institution immediately to challenge them. Learn more at <https://www.consumer.ftc.gov/articles/0101-free-trial-offers>.

Under a federal law, the Restore Online Shoppers' Confidence Act, it's illegal for a merchant from which a consumer buys something online to pass the person's financial account number to another merchant for purposes of making an online sale to the consumer. The second merchant must obtain the account number directly from the consumer and get the person's express consent to charge that account.

When you donate to someone who is creating a new product or launching a new service there is no guarantee you'll get what you were promised in return. Consumer Reports provides tips about crowdfunding scams at [www.consumerreports.org/cro/money/crowdfunding-scam](http://www.consumerreports.org/cro/money/crowdfunding-scam). But you could lose your money even if the person you're giving it to is well-intentioned. If you're using a crowdfunding website to make a donation, check to see if it vets the projects that it lists or provides any protection.

### Landlord/Tenant

Many states require rental property meets specific safety and health standards. If you call your landlord about a problem, follow up with a letter and keep a copy. The time limits for landlords to make repairs may depend on the seriousness of the problems; your state or local consumer protection agency can provide information about your rights and how to enforce them if the landlord doesn't cooperate.

You may be able to break the lease if the house or apartment you're renting becomes uninhabitable because of health or safety problems. Report those issues to the landlord and the local health inspector.

Renters insurance can be helpful if your personal property is damaged or your apartment becomes uninhabitable due to a fire, flood or other disaster. Before buying a policy, shop around and make sure you understand what's covered, how the amount of money you would receive will be calculated, and how much your deductible will be. The Insurance Information Institute offers a guide to renter's insurance at <https://www.iii.org/article/your-renters-insurance-guide>.

Some state laws specifically protect tenants from retaliation for reporting health code or other violations. Keep notes of when you notified your landlord about problems and any subsequent steps you took to resolve them in case you need to prove that your landlord attempted to take action against you for enforcing your rights.

Unsure of your rights as a tenant? If you've got a problem, don't suffer in silence. Ask your state or local consumer protection agency for information about your rights and how to enforce them.



## Pets

*Leasing a pet may seem like a more affordable option than buying it outright, but fees and interest can significantly increase the cost. Furthermore, under the lease terms you could be responsible for all expenses such as vet bills, and if the animal runs away or dies, you may still be liable to pay the balance of the contract. Plus, if you don't make your payments, your pet could be repossessed. Read the contract carefully and ask questions if there is anything you don't understand before you agree to lease a pet.*

*You've heard the saying, "On the internet, no one knows you're a dog." It's also hard to know if the person who is offering a dog for sale actually has it or if it's a scam. One "tell-tail" sign is if you're asked to send your payment via a money transfer service. Legitimate businesses don't ask for payment that way, but fraudsters do because they can get the cash fast and it's hard to trace them. Pet scams have become so common that the International Pet and Animal Transportation Association warns consumers about them. See <https://www.ipata.org/pet-scams>. The best bet is to buy from a reputable local breeder.*

## Real Estate

*When mobile home owners don't own the land their homes sit on, they are vulnerable to eviction. Some states have specific laws to protect them. The National Manufactured Homeowners Association provides information and advocates for mobile homeowners' rights, see <http://www.nmhoa.org/>.*

*The board of directors of a homeowner's association sets the rules owners must abide by and is responsible for collecting fees and making expenditures for repairs and improvements to the common areas. If you believe the rules of your homeowner's association are not being properly followed, your state or local consumer agency may be able to give you advice and assistance.*

*Assisted living facilities often charge a substantial entry fee upfront with the assurance that all or a certain percentage of it will be returned when you leave (or will go to your estate if you pass away). The terms are spelled out in the contract, and there may also be state law that applies. As with any real estate transaction, it's a good idea to have a lawyer review the paperwork before you commit.*

*Considering an assisted living or senior living facility? Don't make your decision on the basis of a glossy brochure or enthusiastic testimonials in advertisements. Visit the facility repeatedly, speak to residents and staff, arrange for a thorough tour, and ask the sales department questions. Get all promises about future features or amenities in writing to document what you were told in case they aren't fulfilled.*

## Retail Sales

*Never buy expensive jewelry on impulse. To be sure you're getting what you pay for, do some homework. You can learn about jewelry certification at the International Gemology Institute website, [www.igionline.com](http://www.igionline.com). When you make a purchase, get a detailed receipt that shows what you bought and how much you paid, as well as any certificate or appraisal for the item so you can prove the claims the business made. Regardless of these precautions, buying jewelry in another country is risky, however, because U.S. law will not apply, and it may be very difficult to resolve problems long-distance.*

*You don't have to put up with defective merchandise. In addition to the warranty that may come with the item, you may also have rights under state law to insist on a replacement or refund if the problem can't be fixed. Check with your state or local consumer protection agency.*

*If a business can't get the specific item you ordered, it's a breach of contract. You can accept a substitute, but you don't have to – you can insist on getting your money back regardless of the company's refund policy. Make sure the receipt describes exactly what you ordered in case there is any*

question later.

*Use gift cards and gift certificates as quickly as possible, as businesses can close without warning and there is no guarantee that you'll be able to get the unused value.*

*If a business that has items belonging to you shuts down without making arrangements to get them to you, ask the city or town clerk or the police if they have information about how to reach the owner. You can also check your Secretary of State's corporate registration section for contact information. Contact your state or local consumer protection agency if you can't find the person or retrieve the items.*

*Whether you plan to buy a drone for fun or business, be aware that many states and localities have enacted laws and regulations concerning drone use. While there is information on the internet, it may not be up to date. Ask your state or local consumer agency for advice on the best source of information about the laws that may apply to you.*

## Services

*Natural disasters such as floods, hurricanes, blizzards and tornadoes can lead to increased demand for basic necessities and remedial services. Some states prohibit sellers from raising prices for certain types of products and services if an official state of emergency has been declared. If you suspect price gouging is going on, report it to your state or local consumer agency.*

*The benefit of autopay is that you don't have to think about your bill payments, but that's the danger, too. Always look at your bill before the payment will be made to ensure that there aren't any mistakes or unauthorized charges. Contact the company, and your financial institution, immediately if there is a problem. If you cancel a service for which you have autopay, be sure to let the financial institution know.*

*Immigrants should only seek advice from lawyers and trusted organizations since there are many fraudulent "immigration services" that will charge them and provide little or no real help. Information about the proposed Public Charge Rule changes is available from the National Immigration Law Center (NILC) at <https://www.nilc.org/issues/economic-support/pubcharge/proposed-changes-to-public-charge-rule-faq/#02>. The NILC also provides links to legal assistance and other resources.*

*Dishonest immigration consultants can do more than just rob people of their money; if they fill out your application incorrectly they can damage your chance of success. Only licensed attorneys or nonprofit organizations that are authorized by the U.S. Citizenship and Immigration Services (USCIS) office can give you legal advice or represent you to obtain legal status. For more information go to [www.uscis.gov/avoidscams](http://www.uscis.gov/avoidscams) or call 800-375-5283, TDD 800-767-1833.*

*You don't have to put up with substandard services. Ask your state or local consumer agency if there are licensing or other requirements for the type of work involved and, if so, how to confirm that those requirements have been met.*

*Tips about fraud targeting immigrants, applying for a Green Card or citizenship, and getting help from legitimate sources are available at [www.ftc.gov/bcp/edu/pubs/consumer/alerts/alt198.shtm](http://www.ftc.gov/bcp/edu/pubs/consumer/alerts/alt198.shtm). You can report fraudulent immigration consultants to your state or local consumer protection agency without fear, regardless of your immigration status.*

*Pay attention to the terms of contracts for storage. If you store something that leaks, creates fumes, or attracts rodents, you, not the storage company, will be held responsible for the damage caused.*

*When a business makes a promise to you and doesn't keep it, ask your state or local consumer agency for help. Be sure that you have proof of what the deal was and how much you paid.*

*Handling funeral arrangements can be stressful, but as with any major purchase, it's important to get a*

contract that specifies what will be done and when, and to follow up with the seller if the products or services are not provided. Don't pay the full amount before everything you were promised has been done. It's a good idea to look into funeral services before they're needed. At <https://funerals.org/> the nonprofit Funeral Consumers Alliance provides information about planning funerals and your legal rights.

Follow the instructions for using products or services carefully. If there is a problem that's not your fault, take pictures to document it and contact the company as soon as possible. Your state or local consumer agency may be able to help if you can't resolve the matter satisfactorily.

Home warranty companies promise peace of mind because if something needs repair they'll take care of it. You should be able to expect not only that they'll not send someone fast but that the work will be done competently, and the warranty company will stand behind it.

A power of attorney is an important legal tool to provide assistance to people who cannot manage their affairs on their own, but it should only be given to someone who is trustworthy and has no conflicts of interest. The Consumer Financial Protection Bureau offers guides about this and other subjects at <https://www.consumerfinance.gov/consumer-tools/managing-someone-elses-money/>.

Businesses can close suddenly, taking customers' deposits and pre-payments with them. If you paid with a credit card, you can dispute the charges with your card issuer. Your state or local consumer protection agency may be able to work with the company to get refunds or resolve other problems.

Before you pay for a surrogate service, research whether your state regulates this type of business. There are many websites that provide information about state surrogate laws, though it is difficult to tell in some cases if they are up to date. Your state or local consumer agency may be able to refer you to the appropriate place to get answers about any requirements or consumer protections that apply.

If you're hiring a company to perform services for you, be suspicious of any request to pay an individual instead of the business or to pay in cash. Call the company immediately to report it.

### **Sharing Economy**

If you are overcharged for a car sharing service and can't resolve the problem, try to dispute the credit card payment or debit, and if that doesn't work ask your state or local consumer agency for assistance.

Websites that enable people to list and find short-term rentals don't necessarily take responsibility if something goes wrong. Read the terms of service to see what the obligations of the hosts and guests are, if there are any guarantees, and what the website operator will do to help resolve problems. If you think you've been treated unfairly, your state or local consumer agency may be able to help.

### **Timeshares**

Tempted to buy a timeshare? Ask yourself: Can you afford it? How does the cost compare to what you normally spend on accommodations when you go on vacation? What happens if you can no longer use it? Resist pressure to agree on the spot. Take the contract home and read it carefully. Check the company's reputation with the Better Business Bureau nearest to its headquarters (find it at <https://www.bbb.org/bbb-locator/>). If you decide to buy, get the total cost, including fees and finance charges, and all promises in writing. Once you sign, you may not be able to cancel.

## Towing

*If you believe that you were towed unfairly or improperly, pay the fee to avoid running up storage charges, get a receipt, and contact your state or local consumer protection agency for advice.*

*If your vehicle has been towed, pay with a credit card if you can because you can dispute the charges if they are improper, get a receipt, and check with the city or town in which the tow occurred to ask if the tow rates are regulated and how they apply in your case.*

## Travel and Transportation

*Be wary of offers out of the blue for “free” or low-cost cruises or resort accommodations. They are usually worth very little, if they are provided at all. Furthermore, there are often undisclosed costs and requirements to attend lengthy, high-pressure sales pitches for costly timeshares or travel clubs.*

*There is a lot to consider before responding to a travel offer. What is the company’s reputation? Is it required to be licensed or bonded in the state where it is located? What is the full cost, and how does that compare to making the arrangements yourself? Are there any strings attached? Learn more at <https://www.consumer.ftc.gov/blog/2019/05/make-it-scam-free-vacation>.*

*Get a written agreement for transportation services that shows the total cost and the schedule for payments. Using a credit card is the safest way to pay because you can dispute unauthorized charges without actually being out of pocket for the money yet.*

*The safest way to pay for travel is by credit card because you can dispute the charges if the services were never provided.*

*There are many insurance policies for student travel on the market, but not all of them cover situations in which the travel operator goes out of business. Consult with your insurance agent and call companies that offer travel insurance to ask about coverage and costs.*

## Utilities

*With the option to choose your electricity supplier, you can shop around for the best deal. But beware of misleading sales tactics and be sure to read the fine print. Some suppliers offer fixed rates, others may have variable rates that could start out low but increase dramatically because of weather or other factors. If a salesperson claims to represent your current supplier, check with the company to confirm. You can get more advice about shopping for electricity from your state [public utilities department](#).*