



Consumer Federation of America



**Consumer Federation of America
North American Consumer Protection Investigators
2015 Consumer Complaint Survey Report
July 13, 2016**

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Introduction

This report describes the results of a survey conducted by **Consumer Federation of America** and the **North American Consumer Protection Investigators** of state and local consumer agencies across the United States to ask about the top complaints they received last year, the worst and fastest-growing complaints, new types of complaints, and their suggestions for new laws to better protect consumers. Thirty-three agencies in 21 states responded to the survey.

When state and local consumer protection agencies receive complaints from consumers, they usually contact the businesses involved to try to resolve the problems informally. Some also accept complaints from businesses. Many of these agencies have administrative, civil and/or criminal authority to stop unfair, deceptive, or fraudulent practices, obtain restitution, and ensure a level playing field for businesses. Some agencies also oversee new car lemon law programs, test scales, price scanners, and meters for accuracy, and regulate or license certain types of businesses and professions. All of these agencies conduct public outreach to educate consumers and businesses about their rights and responsibilities and help them avoid problems.

We also ask these agencies about the biggest challenges they face and their biggest achievements. Maintaining and improving the services they provide with limited or reduced resources is often a struggle. Technology helps state and local consumer protection agencies operate more efficiently and broaden their public outreach, but fraudsters are also taking advantage of technology to target consumers from afar, mask who they are, and trick their victims into parting with their money or their personal information. Changing demographics present cultural and language barriers that can complicate agencies' efforts to provide information to consumers and encourage them to make complaints. When disaster strikes, whether it's severe weather or events such as the foreclosure crisis, these agencies are among the first responders, setting aside their usual work to focus on helping consumers find the resources they need and preventing them from being exploited.

It is important to note that this is not a random survey of consumers and the problems they experienced in the marketplace last year. The survey provides a snapshot of the most common problems that consumers report to state and local agencies that handle a broad range of complaints. We do not survey federal agencies or state agencies that only have one function such as regulating securities, insurance or banking. The participating agencies assist the public in many ways, as the report describes, and are often the first places that people turn to for advice and assistance.

The direct services that these state and local consumer protection agencies provide accomplish more than just resolving complaints – they help people avoid losing their money, level the playing field for businesses that act responsibly, and demonstrate that government agencies work for their constituents and the greater public good. CFA and NACPI thank the agencies that participated in this survey for their dedication and for taking the time to share their information with us.

Key Findings

- **The 33 state and local consumer protection agencies in the survey received more than 200,000** complaints last year. This does not include the much larger number of consumers who benefitted from enforcement actions that the agencies took or the public education they provided.
- **The total amount these agencies saved or recovered for consumers through complaint mediation, administrative procedures, and enforcement actions exceeded \$131 million.** This figure does not include the money that consumers saved as a result of the advice that the agencies provided or the savings to businesses and court systems by resolving complaints informally.
- **The top three complaints last year were about auto sales and service, home improvement and construction, and utilities, including telephone and Internet service, electric and gas service, and cable.** Credit and debt, which often ranks at #3, dropped to #4.
- **The top three fastest-growing complaints last year were about phony IRS agents and other imposter scams, tax ID theft, and energy services.** A new type of imposter scam involves emails purportedly from the CEOs of companies instructing employees to wire money somewhere. In the energy service complaints, some agencies specifically cited aggressive sales tactics for solar power and electricity suppliers.
- **The top three worst complaints last year were about scams of all types, services, and home improvement and construction.** Businesses as well as consumers were targets for scams.
- **New types of problems that consumers complained about last year to state and local agencies ranged from crowd funding investments to digital coupons not scanning properly.** Some agencies cited the use of iTunes gift cards as a new form of payment in fraud-related complaints.
- **The most commonly cited challenge for state and local consumer agencies was the lack of adequate staffing and resources.** Other challenges included keeping up with the evolving nature of fraud, reaching out to an increasingly diverse population, and making effective use of social media and other new channels to distribute information and serve constituents.
- **Despite these and other challenges, state and local consumer agencies made impressive achievements last year.** These included bringing major enforcement actions, making internal changes to improve operations, implementing new laws and enforcement programs, and enhancing their public outreach efforts.
- **The top suggestion for a new law that is needed to better protect consumers was to ban forced arbitration clauses in consumer contracts.** Among the other ideas for new laws included requiring insurance companies to cover the cost of air ambulances, imposing caps on the fees that dating services can charge, broadening state data breach laws to include passwords, PINs, tokens and other means of access to accounts in the definition of personal information, requiring telephone companies to offer customers effective blocking for robocalls, and regulating aggregators of online charitable donations to ensure that the funds they collect are only distributed to legitimate charities.

Top Ten Complaints in 2015

These are the top complaints that state and local consumer protection agencies received last year based on the CFA survey. Their ranking in the survey report for 2014 complaints is noted in parenthesis.

1. **Auto** (1) Misrepresentations in advertising or sales of new and used cars, lemons, faulty repairs, leasing and towing disputes.
2. **Home Improvement/Construction** (2) Shoddy work, failure to start or complete the job.
3. **Utilities** (5) Service problems or billing disputes with phone, cable, satellite, Internet, electric and gas service.
4. **Credit/Debt** (3) Billing and fee disputes, mortgage modifications and mortgage-related fraud, credit repair, debt relief services, predatory lending, illegal or abusive debt collection tactics.
5. **Retail Sales** (4) False advertising and other deceptive practices, defective merchandise, problems with rebates, coupons, gift cards and gift certificates, failure to deliver.
6. **Services** (5) Misrepresentations, shoddy work, failure to have required licenses, failure to perform.
7. **Landlord/Tenant** (6) Unhealthy or unsafe conditions, failure to make repairs or provide promised amenities, deposit and rent disputes, illegal eviction tactics.
8. **Household Goods** (10) Misrepresentations, failure to deliver, faulty repairs in connection with furniture or appliances.
9. **Health Products/Services** (8) misleading claims; unlicensed practitioners; failure to deliver
10. **(Tie) Internet Sales** (8) Misrepresentations or other deceptive practices, failure to deliver online purchases; **Fraud** (9) Bogus sweepstakes and lotteries, work-at-home schemes, grant offers, fake check scams, imposter scams and other common frauds.

This list is based on the categories most frequently cited as being in participating agencies' top ten complaints last year. Those agencies are listed in Appendix A. As noted previously, the survey provides a snapshot of the types of problems that were commonly reported to state and local agencies consumer protection agencies; it is not a random survey of consumers. While there are some shifts from year to year, and Home Solicitations (telemarketing, mail and door-to-door solicitations) was edged out of the top 10 this time, the rankings are very close.

We provide examples of the top ten and other complaints from the files of state and local consumer protection agencies that participated in the survey in the **Real World Complaints** section of this report and under **Enforcement** in the **Agencies' Biggest Achievements** section. Tips to help consumers avoid these problems and know what to do if they encounter them appear throughout the report and are collected in Appendix B.

Fastest-Growing Complaints in 2015

The top three fastest-growing complaints to state and local consumer protection agencies last year were:

- 1. Phony IRS agents and other imposter scams**
- 2. Tax ID theft**
- 3. Energy services**

Imposter scams can take many forms. Sometimes the fraudsters claim to be from the Internal Revenue Service or another government agency – this type of imposter scam seems to have been particularly popular last year (see page 14). In the “tech support” variation of imposter scams, the crooks assert that they are from Microsoft or another well-known company. A new type of imposter scam involves emails purportedly from the CEOs of companies instructing employees to wire money somewhere. No matter the variation, these scams work on the basis of scare tactics: the victims are led to believe that something dire will happen, such as being arrested for failure to pay taxes, losing their files because of a computer virus, or an important deal will fall through unless payment is sent (see page 14). Urgency is another hallmark of these scams – you must act immediately. As with many other types of fraud, another typical aspect of imposter scams is the demand for your personal information or your money.

Tax and wage-related fraud were the most common forms of identity theft reported to the Federal Trade Commission last year, so it is no surprise that tax ID theft was one of the fast-growing complaints to state and local consumer agencies (see page 23). The Internal Revenue Service has been working to make it easier for victims of tax ID theft to clear their records and get the tax refunds that they are legitimately owed, and recently published a new [guide](#) about how to detect and deal with this problem.

Aggressive sales tactics for solar power and electricity seem to be at the root of the complaints concerning energy services. Consumers are misled about the potential savings, locked into long-term contracts and, in some cases, discover that their service has been switched to another company without their consent (see pages 20 and 32).

Other types of complaints that were cited as fastest-growing last year included towing, retail sales issues, do-not-call violations, landlord/tenant disputes, cell phone sales, service and billing, collection agencies, timeshares, home improvement, and services.

Worst Complaints in 2015

We asked 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, the outrageousness of the situation, or other factors. The top three worst complaints were:

- 1. Scams of all kinds**
- 2. Services**
- 3. Home improvement**

Many consumer complaints involve disputes over the quality of goods or services, warranty coverage, late delivery, and other problems that can be aggravating to deal with but can usually be resolved. Scams are different – these are situations in which consumers are lured into giving their money or valuable personal information to fraudsters whose intentions are simply to rip them off (see pages 13-15). Scammers seldom respond to complaints. They ask for payment by methods that are hard to trace,

mask their real identities and locations, and often target U.S. residents from foreign countries, knowing that it will be difficult, if not impossible, to pursue and prosecute them. Too often, by the time victims realize that they've been scammed and ask their state or local consumer protection agencies for help, their money is gone and there is little that can be done. That is why these complaints are among the worst that consumer protection agencies receive and why the work they do to make the public aware of scams and prevent people from falling prey to them is so important.

Complaints about services range from wedding photos that never materialize (see page 28) and gravestones that are never delivered (see page 27) to immigration services that leave people in greater legal peril than they were before (see page 15).

Since home improvement jobs often involve large expenditures and can cause significant inconvenience for those living in the home while the work is proceeding, when a contractor turns out to be incompetent or irresponsible it can cause serious problems for the homeowner (see pages 17-19).

New Consumer Problems in 2015

The new types of consumer problems that state and local consumer protection agencies encountered last year illustrate the wide range of inquiries and complaints they handle. They included:

- Crowd funding investments that didn't pan out (see page 25)
- Digital coupons that failed to scan properly (see page 26)
- Phony utility collections (see page 14)
- Problems with tree services (see page 28)
- Free beauty products that weren't free (see page 24)
- Resale of new car lemons (see page 9)
- Counterfeit goods (see page 26)
- Online services to match consumers with care-givers (see page 24)
- Employment scams (see page 12)
- Online payday loan scams (see page 12)
- Solar sales problems (see page 20)
- Arbitrary prices charged by food vendors (see page 13)
- Furniture-tipping safety hazards (see page 22)
- Unwanted mailings that wouldn't stop (see page 21)
- Fraudulent legal services (see page 27)
- Scams against businesses using emails purporting to be from their CEOs (see page 14)

New Laws Needed

We asked state and local consumer protection agencies what new laws are needed to better protect consumers. The most frequently made suggestion was to ban forced arbitration clauses in consumer contracts. The purpose of these clauses is to prevent consumers from being able to take legal action,

individually or collectively, to enforce their rights and change company behavior. Studies have shown that consumers do not fare as well in private arbitration hearings as they do in court, and the outcomes of those types of proceedings have no legal effect on companies' future behavior. Several federal agencies, including the Consumer Financial Protection Bureau, are considering restricting these clauses. An overarching law banning these clauses for all consumer contracts would ensure that people have the access to justice to which they are entitled.

Other suggestions for new laws included:

- Enacting used car lemon laws
- Providing stronger protection for consumers from abusive debt collection practices
- Enabling consumers to freeze their credit reports at no charge
- Requiring landlords in every state to eradicate pest infestations
- Licensing and bonding furniture stores to protect consumers if they go out of business
- Requiring better security to access online accounts to thwart identity theft
- Setting criminal penalties for violating civil orders against door to door sales companies
- Regulating toxic chemicals in products for children
- Requiring insurance companies to cover the cost of air ambulances
- Including passwords, PINs, tokens and other means of access to accounts in the definition of personal information in state data breach laws
- Requiring telephone companies to offer customers effective blocking for robocalls
- Enacting stricter laws against Caller ID spoofing
- Enhancing the penalties for financial exploitation of the elderly
- Enacting stronger regulation of home improvement contractors
- Requiring companies that do business through websites or apps to have live customer service available
- Capping the fees that dating services can charge
- Requiring better disclosures of information about used cars that could influence consumers' decisions to buy them
- Regulating aggregators of online charitable donations to ensure that the funds they collect are only distributed to legitimate charities

Real-World Complaints and What Consumers Should Do

Auto

Transmission Trouble

A Florida man brought his car to a repair shop to have the transmission rebuilt. He returned within the warranty period, complaining that the job was not done properly, but was told that it was a different problem unconnected with the transmission work. Dissatisfied, he turned to the **Broward County Environmental Licensing and Permitting Division**, which enforces county, state, and federal consumer laws, for help. The agency determined that the repair shop did not have an ASE-certified technician to perform transmission work, as required, and issued a Notice of Violation. In response, the shop hired a technician who met that criteria and made the necessary repairs. The total value of the original repair and the re-repair was nearly \$8,000.

Look for auto repair facilities that feature technicians certified by the nonprofit National Institute for Automotive Service Excellence (ASE). For more information go to www.ase.com.

Double Trouble

When an Ohio woman had her Audi towed to a shop for transmission repairs, she was asked for a \$1,000 deposit, which she paid with a credit card. A few days later, the shop informed her that it would not do the work because the transmission was not original to the car and was for the wrong model. Despite repeated promises, the shop failed to refund her deposit. The shop owner told the **Cuyahoga County Department of Consumer Affairs** that he wanted the bank to reverse the charges, but so much time had elapsed that this was not possible. He finally agreed to issue a refund check to the woman.

Have a problem with an auto repair shop? Give the owner or manager a chance to resolve it, but if that fails, contact your state or local consumer protection agency for advice and assistance.

Quit Stalling

The **South Carolina Department of Consumer Affairs** came to the rescue of a consumer who bought a used car for \$23,000 and, during the eight months that he owned it, had to take it for repairs numerous times to try to fix stalling and other problems. The dealer agreed to take the car back and refund the entire purchase price.

Before you buy a used car, have it checked out by a mechanic you trust to look for problems that might not be obvious to you until after the purchase.

Car Deal Goes Sour

A couple visiting a dealership was interested in a particular new car, but it was out of their price range. The salesman directed them to another car, a little older but the same model, with low mileage. He led them to believe that the car had been repossessed or was a lease turn-in, but actually it had been repurchased due to defects under the Texas Lemon Law. He had them sign another state's "Resale Disclosure Statement," which could easily be mistaken for a lease turn-in document, and failed to give them the Georgia Lemon Law Notice for Reacquired Vehicles before the transaction started, as legally required. The dealership had bought the car at auction for only \$18,000 but sold it to the couple for \$35,000. When they tried to trade it in only nine months later, they were offered only \$11,000 for it. The dealership's general course of conduct in dealing with the sale of reacquired lemon vehicles is under investigation by the **Georgia Department of Law's Consumer Protection Unit**.

Eyeing a used car? Get its previous history through the National Motor Vehicle Title Information System, www.vehiclehistory.gov, so you'll know what you're bargaining for. However, there may be problems

that don't show up in these reports. For instance, not all states require cars that were bought back as "lemons" to be "branded" as such. Your state or local consumer protection agency may provide information on its website about what to ask BEFORE you sign on the dotted line. You can also find car buying tips from the International Association of Lemon Law Administrators at http://ialla.net/pub_1.htm.

Case of the Disappearing Car

A month after a Florida man bought a used BMW for \$6,500, it developed engine trouble. The dealer picked it up to make repairs on it, which were covered by the 3-month warranty that came with the car. But the dealer then sold the vehicle to someone else, without the man's knowledge or consent. When his attempts to get his money back failed, he complained to **Hillsborough County Consumer Protection Services**. The agency negotiated with the dealer to repair the car and return it to the rightful owner.

Do you suspect that a car dealer is doing something shady? Report it to your state or local consumer protection agency.

Credit/Debt

Safe at Home

The **Los Angeles County Department of Consumer and Business Affairs** operates a foreclosure prevention program to help consumers who have fallen behind on their mortgage payments avoid losing their homes. In a typical case last year, a woman had been unable to make her payments for a year and a half due to unemployment, her mother's illness, and other problems. The agency assisted her in submitting the paperwork for a loan modification and followed up with the loan servicer to make sure it was received. The woman received a notice that the servicer intended to sell her home, but just around that time her income situation improved, and the agency helped her submit a second loan modification package. It was approved and the homeowner is now able to afford her modified monthly payments.

Need help modifying your loan or avoiding foreclosure? For information about your options and eligibility for help from the government go to 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.

Not My Charges!

It took only 24 hours for a thief who stole one of a New York man's credit cards to rack up \$2,100 in fraudulent charges. Though the man immediately notified the bank that issued the card, it held him responsible and when payment was due, the bank removed the \$2,100 from an account that he had there. The man argued, to no avail, that it was impossible for him to have made the purchases, which occurred in New York, because he had been in Florida at the time – he even had the airline tickets to prove it. Once the **New York State Department of State Division of Consumer Protection** got involved, the bank refunded his money.

You have the right to dispute card charges that you never authorized. See www.consumer.ftc.gov/articles/0213-lost-or-stolen-credit-atm-and-debit-cards for tips from the Federal Trade Commission about what to do if your credit card is lost or stolen.

Dubious Debt

Debt collection was one of the worst consumer problems reported to the **District of Columbia Attorney General's Office** last year. Some of these complaints concerned fake debt collectors using a variety of tactics to extract money from consumers, including: threats of arrest, harassing phone calls to them at

home and at work, contacting their friends and relatives, and using the names of government agencies to trick them into providing their credit card or bank account information or sending payments via money transfer services or prepaid accounts. Sometimes these phony debt collectors actually have correct information about a consumer's account, Social Security number, or creditor. In one case, a consumer received a call about a payday loan that he supposedly got in 2011 and for which, with interest and penalties, he now owed \$600. The caller had the man's address, a portion of his Social Security number, the names of his former employers and his ex-wife, and his cellphone number. While he had taken out payday loans in the past, he had no recollection of this one. Fortunately, he searched the Internet for the name of the collector and the loan company and found information indicating that this was a scam. After the consumer agency contacted the company regarding the man's complaint, the calls ended.

Don't be pressured into paying money that you don't owe. If you're not sure, or the amount is incorrect, or you believe that you don't owe the debt at all, you can dispute it. Learn more about fake debt collectors at www.consumer.ftc.gov/articles/0258-fake-debt-collectors.

It's Too Late, Baby

Another example of a debt not owed came from the **Montgomery County Office of Consumer Protection** in Maryland, where collection practices were the fastest-growing category of complaints last year. In this case, the agency found that the alleged debt was time-barred as it was more than 10 years old, the original creditor had been out of business for more than 10 years and could not support any claim of money owed, and the debt collector could not validate the debt. Confronted with this information, the collector deleted the debt from the consumer's records.

State laws set limits on the number of years that creditors have to sue for debts. That doesn't prevent debt collectors from contacting people after that time has passed, however, to try to convince them to pay. Learn more at www.consumer.ftc.gov/articles/0117-time-barred-debts and ask your state or local consumer protection agency what the time limit is under your state's law.

Empty Threats

Debt-buying companies are the source of many complaints about illegal collection tactics and inability to provide documentation of the debts. The biggest achievement last year for the **Georgia Department of Law – Consumer Protection Unit** was its settlement with Atlanta-based RSB Equity Group, LLC and its principal, Roy Mullman, who were accused of committing multiple violations of the federal Fair Debt Collection Practices Act and Georgia law. The company allegedly threatened consumers with arrest and imprisonment, falsely accused consumers of committing fraud or criminal acts and claimed that a lawsuit was about to be filed against them unless the debt was paid, refused to send consumers written proof of debts, falsely identified themselves as attorneys or investigators, contacted consumers at their workplaces, divulged information about debtors' accounts to third parties, illegally called consumers before 8 a.m. or after 9 p.m., and collected or attempted to collect amounts that consumers had no obligation to pay. Under the settlement, the defendants were barred from collecting on 11,803 accounts, representing more than \$13 million in purported debts. They were also required to pay \$10,000 in civil penalties and to reimburse the state for investigative and legal expenses.

Under federal [law](#), you have the right to tell debt collectors not to contact you again. It's illegal for them to call with annoying frequency or at certain hours, falsely say they're going to take legal action, use obscene language, threaten bodily harm, or reveal information about your debt to someone else. You may also have rights under state law; check with your state or local consumer protection agency.

Let Go of that Lien

A consumer in Ohio contacted the **Cuyahoga County Department of Consumer Affairs** for help when he was denied credit because there was a lien on his home for a loan that he had paid off years ago. Complicating matters, the credit union that made the loan had been closed for several years. The consumer agency tracked down the defunct credit union's records and helped the man get the documentation he needed to have the lien removed.

Keep records of loan discharges and other important paperwork in safe-keeping indefinitely since you never know when you might need the documentation.

Phantom Payday Loan

Complaints about exorbitant rates for payday loans are common, but the **Louisiana Attorney General's Office** encountered a new type of payday loan problem last year, phony payday lenders lurking on the Internet. In one case, the scammer created a fake website using a real payday lender's logo and information. When the complainant applied for a loan and was accepted, the company direct-deposited a check for the money into her bank account and sent her a snapshot of it as proof. Unfortunately, after the consumer withdrew the funds, some of which she sent to the scam company, she found out that that the check was written on a closed account and she had to pay her bank back.

It's hard to tell if a website is fake. One thing to look for is whether the "http" at the beginning of the address bar turns to "https" at the point where you are providing your financial information, indicating that the site is secure. But that's still no guarantee that the site is legitimate. Payday loans are expensive and can trap you in never-ending cycle of debt. If you really need one, it may be safest to apply in person rather than online. Be sure that you know how the loan works, how much it will cost and if it's legal where you live, and don't take it unless you're sure that you can pay it off when it's due. Learn more at www.consumerfinance.gov/askcfpb/search/?selected_facets=category_exact:payday-loans.

Employment

Security Lapse

The worst complaints that the **Union County Office of Weights and Measures/Consumer Affairs** in New Jersey received last year were about a company that offered to help people get jobs as security guards. For a fee of \$2,246 fee, the company said it would conduct background checks on enrollees and provide training, drug tests, and uniforms. But it kept changing names and moving around, while providing none of the promised services. The matter is now in the hands of state law enforcement authorities.

Talent Agency Learns a Lesson

Complaints about employment scams increased last year at the **Los Angeles County Department of Consumer and Business Affairs** in California. The biggest achievement for the agency was its investigation of a talent management company that lured children and young adults with the promise that it could help get them jobs as actors or models. Talent scouts would approach them in public places and convince them, or their parents, to buy expensive photo packages from a business that, unbeknownst to them, was owned by the same company. Once the victims were hooked, the company asked for thousands of dollars a month to manage their careers. State law prohibits talent managers from collecting fees upfront for representation. The owner of the company was sentenced to serve jail time or perform community service and ordered to make restitution of more than \$90,000.

Before you pay for help getting a job, ask your state or local consumer protection agency if there are laws or regulations that the employment agency or service must follow. There may be restrictions, for

instance, on charging customers before the promised services are actually provided. Check the company's complaint records at the Better Business Bureau, www.bbb.org. For tips on job scams and how to protect yourself, go to www.consumer.ftc.gov/articles/0243-job-scams.

Food

Finicky Food Prices

Following an investigative news report, the **New York City Department of Consumer Affairs** received nearly 80 complaints last year about a problem it had not heard about previously, sidewalk food vendors charging varying prices for the same items depending on the customer. In response, the agency did an enforcement sweep to check that food vendors were posting their prices.

If you don't see prices posted for food or other items offered by sidewalk vendors, how can you be sure that you are being charged fairly? Take your business elsewhere.

Fraud

The Check is not in the Mail

Some of the worst complaints that the **Ohio Attorney General's Office** received last year were about scams in which consumers were led to believe that they were going to come into a fortune. In one example, a man received emails from "agents" claiming to be contacting him on behalf of Federal Reserve Chair Janet Yellen. They told him that he was due to receive an inheritance but needed to pay upfront administrative fees. He sent the crooks a total of \$13,000 through a money transfer service. He finally reported the matter to the consumer agency when he no longer had money to send the scammers and realized that there was no inheritance.

And the Mercedes isn't on the Way, Either

It's a good feeling when a consumer asks for advice *before* he or she has sent the money to a scammer. For instance, a woman called the **Montana Office of Consumer Protection** at the insistence of her family to check whether the notice that she received telling her that she had won \$1.2 million dollars and a new Mercedes Benz was legitimate. All she had to do was pay \$475 for taxes on the prizes, she said. It took about 30 minutes for the person at the consumer agency counselor to convince her that not only would the money and the car never materialize, but the \$475 would vanish into thin air.

If you have legitimately won a prize or are in line for an inheritance, you'll be notified by certified letter, not by email, and you won't be asked to pay to claim it. These scams take advantage of our natural desire to believe that it's our lucky day. But if you send money your luck, and your savings, will eventually run out. Learn more about how to spot and avoid scams at www.fraud.org.

No Vacancy

The scarcity of affordable housing in the San Francisco Bay area has created a boom in rental listing scams. Often the scammer places a listing for an apartment on a popular classified ad website. Victims are typically young people relocating to San Francisco for school or work. The "rental agent" instructs them to fill out an agreement and place a security deposit directly into the "owner's" bank account. But the "owners" may be scam victims themselves, duped with promises that they can make money working at home by processing payments for the "owner." Renters are told that they can't see the apartment until move-day; all they need to do is show up and get the keys. But when they arrive with their belongings, they find that the "agent" has nothing to do with the apartment and they have nowhere to

stay. While the scammers may use San Francisco addresses and phone numbers, they are usually in a land far away and next to impossible to trace. However, the “money mules” who allow their bank accounts to be used and send the money to the scammers can sometimes be tracked down. In one of the complaints about these scams that the **San Francisco District Attorney’s Office Consumer Protection Unit** received last year, the “money mule” is making monthly payments to reimburse the victim the \$2,900 that she lost.

Looking for a place to live or to stay while on vacation? Use realtors that are in directory listings or well-known platforms such as Airbnb and beware of danger signs of fraud such as requests to wire money. For more about rental scams go to www.consumer.ftc.gov/articles/0079-rental-listing-scams.

Taxing Situation

In the “IRS imposter” scams, victims receive calls or emails purportedly from agents of the Internal Revenue Service threatening imminent legal action if they don’t send money immediately to resolve a problem with previous tax filings or are delinquent on paying their taxes. For example, the **Ohio Attorney General’s Office** heard from a woman who was told that there were three warrants out for her arrest for tax evasion. She wired \$930. But that’s not as bad as the consumer who reported to the **Vermont Attorney’s Office** that he’d wired \$4,500 to the one of these scammers.

The IRS doesn't contact taxpayers via email, text messages or social media channels to ask for personal or financial information. And IRS agents don't call taxpayers with threats of lawsuits or arrests. Report suspected IRS imposter scams to the Inspector General at the U.S. Treasury at www.treasury.gov/tigta/contact_report_scam.shtml.

Phony Utilities

Phony tax collectors are not the only imposters out there, and consumers are not the only victims. The **District of Columbia Attorney General’s Office** encountered a new kind of complaint last year when local businesses began to receive calls from fraudsters claiming to be from the electric company. They threatened to shut off the power within hours unless the businesses paid their “overdue” bills. As with many scams, the victims were instructed to make the payments by prepaid card or a money transfer service. One restaurant owner sent prepaid cards with a total value of \$1,000 to the scammer.

If someone calls unexpectedly claiming to be from your utility company, demanding payment or your service will be shut off, don't panic and don't send any money. Hang up and call your utility company directly to verify your account balance and report the scam. Make sure that everyone in your home and business is aware of utility imposter scams and knows the danger signs, such as asking for payment to be made via prepaid cards, gift cards, or PayPal. It's also helpful to report this and other imposter scams to your state or local consumer protection agency so that it can issue a public warning.

CEO Scam

The **Vermont Attorney General’s Office** also reported receiving complaints last year about a new type of fraud targeting businesses as well as nonprofit organizations. In this scam, an employee at a company or organization receives an email that appears to be from the CEO, Director, or someone else in authority at a legitimate company asking for money to be wired to complete a transaction. The sender’s email address is spoofed to make it look as though the message is real. Some of the potential victims have discovered they were being tricked before it was too late – for instance, one business succeeded in reversing a \$95,000 transfer before it had been completed because of the 12-hour time difference between the U.S. and Hong Kong, where the money was being sent. But others have not been so lucky. One small business lost \$19,600 after receiving a message falsely claiming to be from a regular overseas

supplier, providing “updated bank account” information to use in sending payments. In addition to issuing press releases, the agency worked with the Chamber of Commerce to warn about the scam.

Last summer the Federal Bureau of Investigation issued an alert about these scams. Go to www.fbi.gov/news/stories/2015/august/business-e-mail-compromise/business-e-mail-compromise.

Immigrant’s Salvation Becomes a Nightmare

Immigration fraud continues to be the worst consumer problem that the **Los Angeles County Department of Consumer and Business Affairs** in California receives. Consumers are asked to pay upfront for services that are misrepresented or never provided. They not only lose their money but in some cases their immigration status is adversely impacted. For example, a consumer paid \$2,500 to an immigration consultant after her husband passed away. The consultant neglected to tell her about an appointment that was scheduled with Immigration Services for an interview. When she failed to appear, she was denied permanent residency. Then the Social Security Administration cancelled the monthly benefits from her late husband because she was now in the country unlawfully. Her complaint to the consumer agency led to a wider investigation involving several victims and resulted in charges against the consultant, the company, and its owner. The owner now faces up to five years in jail and \$32,000 in fines. Recognizing the serious nature of this type of fraud, the county has established a task force comprised of 21 departments to combat it, with the consumer agency as the central place for reports about immigration scams to be channeled.

The U.S. Citizenship and Immigration Services (USCIS) office within the Department of Homeland Security can answer questions about immigration and supply the required forms. Go to www.uscis.gov or call 800-375-5283, TDD 800-767-1833. Only licensed attorneys or nonprofit organizations that are authorized by the USCIS can represent you or give you legal advice about immigration.

Fuel

Foul Fuel

A Florida man got less than two miles down the road after filling his pickup with gas when it started to sputter, then stopped, and would not restart. He had it towed to the nearest dealer, which informed him that the gas was contaminated with water and the cost of repair would be \$1,299.78. Unable to resolve the problem with the gas station, the man complained to the **Florida Department of Agriculture and Consumer Services**. The agency tested the fuel at the pump and determined that it was contaminated, issued a fine against the station, and obtained full restitution for the truck owner.

Gasoline sales are regulated to make sure that consumers are getting the quantity and the octane that was displayed on the pumps and that the gas is not adulterated. If you suspect that the gas you purchased was bad, ask your state or local consumer protection agency where to report it.

Oily Mess

At the end of his contract for home heating oil, a senior citizen decided not to renew it. Nonetheless, the fuel company charged him a renewal fee and continued to make deliveries. Through mediation by the **New York City Department of Consumer Affairs**, the consumer agreed to pay for the oil that he had received and the supplier agreed to release him from the remainder of the new contract term.

Read your contract for fuel deliveries carefully so you’ll know if it automatically renews for the next heating season and what steps you need to take if you want to get fuel from another supplier.

Customers Left in the Cold

One of the biggest achievements for the **Wisconsin Department of Agriculture, Trade and Consumer Protection** last year was a settlement with Lakes Gas Company to resolve complaints that it failed to deliver the propane gas for which many customers had pre-paid to heat their homes during the winter of 2013/2014, leaving them out in the cold. The company did make some deliveries in the late winter of 2014, billing those customers for an additional “truck charge.” It agreed to make restitution totaling \$71,686 to approximately 1,600 consumers and not to charge extra delivery fees unless provided for in the pre-paid contracts.

Prepaying for propane or heating oil may save you money, but make sure you get a written contract that shows what you bought, how much you paid, and whether there will be any additional charges.

Health Products/Services

Fit to be Tried

A Massachusetts woman signed up for personal training at her gym through a third party company. At first things were going smoothly, but the trainer informed her halfway through her commitment that he was no longer going to be offering his services at that facility. The gym manager promised to find a suitable replacement, but after weeks of missed appointments and poor scheduling, during which the woman continued to make her payments, she wanted to cancel. Under the terms of the contract, however, it would cost her nearly \$600 to do so. Having tried and failed to resolve the problem to both sides’ satisfaction, the **Cambridge Consumers’ Council** referred the woman to Small Claims Court.

Using a credit card is the best way to pay for fitness services in advance because you have the right to dispute the charges if you don’t get what you were promised. Since situations can change, avoid contracts that lock you in for a long period of time and require you to pay a penalty if you cancel.

Money Melted Away

The **Utah Division of Consumer Protection** received complaints about a business that offered “ultrasonic fat-reduction and radio frequency skin tightening treatments.” According to the company’s literature, sound waves emanating from a device held over the targeted area “help break down and liquefy fat cells so they may be expelled out of the body through natural means.” It was customers’ wallets that got slimmer, however, not their bodies. The business closed after taking their deposits, ranging from \$75-\$150 per treatment, and never provided the promised services. Under a settlement with the consumer agency, the company refunded consumers’ money and paid a fine.

Be skeptical of claims that you can shed fat without changing your eating habits or exercising. You’ll end up losing your money rather than losing pounds. Learn more about weight loss and fitness at www.consumer.ftc.gov/topics/weight-loss-fitness.

Brain Teaser

A woman in Kentucky ordered a product advertised as a “brain supplement,” but quickly changed her mind. When she called to cancel, she was greeted with a recording that said the company’s call center was closed for the weekend. By the time she got through on Monday, the product had already been shipped. She tried to return it, but it was sent back to her. Finding an address for the company in Cuyahoga County, Ohio, she contacted the **Cuyahoga County Department of Consumer Affairs** for help. The agency got her a full refund of \$58.29, which included shipping costs that were more than the price of the product itself.

Order health-related products only from businesses that you know and trust or whose reputations you

have checked with the Better Business Bureau, www.bbb.org.

Home Improvement/Construction

Sad Fish Tale

When a member of a Florida fishing club told his fellow anglers that he was a contractor, one of them gladly hired him to do a roofing job for \$4,800. But there was a problem with the work and the customer complained to the **Orange County Consumer Fraud Unit**, which issued a civil citation against the contractor for failure to have the required license. Incensed, the contractor got into an altercation with his former fishing buddy, which resulted in an injunction for him to stay away from the man. His woes were compounded when further investigation revealed that he did not have workmen's compensation insurance, a felony for which he now faces criminal charges.

In many states contractors must be licensed or registered to ensure that they are competent and operating safely. Before you hire one, ask your state or local consumer protection agency what requirements apply and how you can check on whether the contractor is in compliance.

Unfinished Business

A Tennessee homeowner agreed to pay a contractor \$117,701 to build a sunroom and do other renovations. The work stalled, however, and the contractor ignored the customer's pleas to finish it. Once the **Tennessee Department of Commerce and Insurance Division of Consumer Affairs** interceded, the contractor became more responsive, providing the customer with a schedule for phases of job completion and ultimately getting it done.

Take the Money and Run

A Maryland consumer hired a contractor, Christopher Clore, to perform exterior deck work. Despite the fact that he was paid \$4,600 upfront, he never did any work. The investigation by the **Montgomery County Office of Consumer Protection** revealed that Clore was not licensed as a contractor or a salesperson, and that other complaints against him had been made to the Better Business Bureau and various police departments in Maryland and Virginia. Clore was recently arrested in Maryland for fraud in connection with home improvement work and the Montgomery County consumer office is in the process of filing criminal charges against him as well.

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. Never pay the full amount until the job is done. 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.

Travelers Stopped in their Steps

Itinerant home improvement contractors, sometimes called "travelers," sweep through areas of the country, often targeting older consumers, taking money upfront for driveway paving and other home improvement services, and doing little or no work. The **Kansas Attorney General's Office** had previously investigated a group of four "travelers" and when they returned to the state last year, the agency was ready, filing a lawsuit against them and sequestering their RV. The RV will be sold to help finance restitution for the victims, who collectively lost more than \$160,000. The men also owe \$605,000 in civil penalties to the state.

Teamwork Pays Off

In another case involving driveway pavers, the **Connecticut Department of Consumer Protection** joined forces with the Danbury Police Department to take action against Cooper Paving. Over several years, multiple members of the Cooper family had engaged in paving schemes and were subject to a variety of administrative actions and misdemeanor charges. As a result of the joint investigation by the consumer agency and the police, the company and three individuals have been charged with racketeering and face serious penalties as well as seizure of their equipment and other assets.

Steer clear of driveway pavers, painters, roofers, or other itinerant contractors that show up uninvited at your door. These are scammers whose only interest is to take your money. If they do any work at all, it is shoddy and incomplete. Don't let them in your house. Just say "no thanks" and contact the police after they leave. If you can, give the police a description of the vehicle and the license plate number.

Remodeling Back on Track

One of the worst complaints last year to **Hillsborough County Consumer Protection Services** in Florida was from a woman who hired a contractor to do some remodeling to her home for \$50,000. The completion date had been delayed several times and though she had already paid \$37,000, the contractor wanted the rest of the money before finishing the job and threatened to place a lien on her home if she refused. As is the case with many home improvement disputes, both of the parties bore some responsibility for the problems and communication had broken down. The consumer agency was able to sort out the issues, reestablish communication, and help get the work satisfactorily completed.

Remodeling can be an overwhelming project for homeowners. There are so many decisions to make initially, and you may want to change or add things as the job progresses. There may also be unexpected problems with suppliers and subcontractors. Good communication with the contractor is key. Make sure you understand what is included in the contract, get agreement about all changes or additions, and the related costs, in writing, and talk to your contractor as soon as possible if you have any questions or concerns.

Seawall Owners Left Seething

The worst complaints last year to **Pinellas County Consumer Protection** in Florida involved a licensed seawall contractor who had been in business for 30 years. He entered into contracts with ten homeowners, totaling more \$250,000, to replace their seawalls. The situation was urgent; in some cases the homeowners' pools were in danger of falling into adjacent canals due to the deteriorating seawalls. Having led the homeowners to believe that he could start immediately and had a barge which he could work, the contractor demanded large deposits, typically half of the total contract price. But he failed to complete most of the jobs and his work was so poor that the seawalls he did finish had to be removed and completely redone. To make matters worse, when the contractor did not pay his subcontractors and suppliers, they filed liens against the homeowners' property. He also abandoned a barge that was leaking oil in a canal alongside one home. The city eventually had to remove the barge at a cost of \$38,500 because it was an environmental hazard. The cases were referred to the State Attorney for prosecution, but before they could be heard, the contractor committed suicide.

Even reputable contractors may take on more jobs than they can handle or experience personal problems that interfere with their work. To protect yourself, pay only a small amount upfront and proportionately as the work progresses.

Tile with a Smile

Another Florida case had a much happier ending. The biggest achievement for the **Broward County Environmental Licensing and Permitting Division** last year was resolving a thorny complaint from a

consumer that the terra cotta tiles installed on his roof to replace the old tiles, at a cost of \$23,000, did not look right because of the extreme gradations in color. The homeowner had gone back and forth with the installer and manufacturer many times, to no avail. The consumer agency was able to get him reimbursement in the amount of \$7,666.

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.

Faulty Foundations

The governor asked the **Connecticut Department of Consumer Protection** to open an investigation last year into a major problem with crumbling concrete foundations on homes in the eastern part of the state. The basement walls started to develop cracks about ten years after the homes were built, and the foundations are slowly expanding to the point where the homes may have to be condemned. The only solution is to replace the foundations entirely, which could cost hundreds of thousands of dollars for each house. Currently the agency has 223 complaints from homeowners in 19 towns. The state has hired a civil engineer who is an expert in concrete to determine the cause of the deterioration. Since the investigation has identified pyrrhotite as a factor in crumbling foundations, the consumer agency has entered into an assurance of voluntary compliance with two concrete companies that use a quarry in eastern Connecticut that contains large amounts of the substance not to use aggregate from that quarry for residential foundations until June 30, 2017. Investigators are continuing to gather information from a number of sources, including insurance companies, and agency personnel are working with other state agencies and meeting with homeowners and elected officials to find a resolution to this problem.

New home construction is an expensive investment. Get all promises in writing. If there is a warranty, bring any problems to the builder's attention within the time period required. If defects in materials or construction appear after the warranty has expired, you may still have recourse. Contact your local building inspector. You may need to hire an expert to determine what the problem is and how to fix it.

Back Again, and Again, and Again

The **District of Columbia Attorney General's Office** received six complaints against a contractor, always with the same MO. He or his assistant would knock on the doors of elderly homeowners and tell them that there were squirrels nesting in their roofs. Then one of them would go up on the roof to investigate and return with a piece of damaged wood, claiming that there was major squirrel damage. Alarmed and vulnerable, the homeowners agreed to repairs. The contractor would return to the roof for a half-hour or 45 minutes, come back down, and present the homeowner with a bill for \$2,800 to \$4,200, demanding immediate payment. In the following weeks, the contractor would return again and again, fixing other things that he claimed to discover needed repairs, each time collecting another \$2,800 to \$4,000. He visited one home eight times over a two-year period, extracting a total of \$31,285 from the victim. In most cases the repairs probably weren't needed at all; one homeowner had had a new roof installed only six years earlier, yet the contractor charged her \$6,100 for two visits to supposedly fix roof leaks. In a voluntary agreement with the consumer agency, the contractor is reimbursing the homeowners a total of \$71,000, which he is paying in installments.

Before you hire a contractor, get a few estimates for the work and references from other customers. Beware of scare tactics such as "you must have this roof repaired immediately," especially if you haven't noticed any problems. If it's truly an emergency situation and you don't have time to shop around for the work, at least ask your state or local consumer protection agency if there are licensing or registration requirements that apply and check to confirm that the contractor you're considering has met them.

Home Solicitations

Tell it Like it Is

In 2015 the **Kansas Attorney General's Office** began using a new complaint category, "Telephone Scam Call," to assist staff in tracking complaints about well-known frauds such as phony lotteries, offers of tech support, credit card services, etc. and differentiate them from telemarketing calls that violate the state's No Call Act. One of the "no call" cases that the agency brought last year, along with nine other states and the Federal Trade Commission, was against Caribbean Cruise Lines, Inc. and a number of other defendants responsible for making robocalls for a political survey which, if consumers completed it, led them to be offered a "complimentary" cruise. While the cruise may have been free, when consumers pressed the number one on the keypad to accept it, they were connected to live telemarketers who pitched them to buy hotel rooms, excursions, and other services. Thus, these were not really calls for political purposes, which are exempt from the "no call" rules – they were sales calls allegedly made in violation of consumers' rights. The case is still pending.

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 rights and where to report violations at http://consumerfed.org/consumer_info/understanding-your-telemarketing-rights/.

Solar Snow Job

The **Maryland Attorney General's Office** began to receive complaints last year about a new type of problem, misleading solicitations for solar power. Some of these solicitations were made door-to-door by salespeople who failed to explain and/or misrepresented the terms of the contract. In one example, an 86 year-old man was talked into buying a solar system with the promise that it was free. He was not informed that he would be leasing the equipment and that there would be a lien on his home for the next 20 years. The salesperson also did not fully explain that a charge would be automatically made to his credit card every month for the energy that the system produced. While the terms of the deal were spelled out in the written contract, the print was too small to read and the oral representations conflicted with what the contract said. Fortunately, because the company failed to follow the proper procedures for door-to-door sales, the man was able to cancel with no obligation.

Ask your state or local consumer protection agency if door-to-door sellers must be licensed or registered in your jurisdiction. If the answer is yes, when salespeople unexpectedly appear at your door, demand to see proof that they have complied, and report them to the proper authorities if they haven't. If they claim to be from a company that you already do business with, leave them on your doorstep while you call the company directly to check.

Consumers have a Beef

A door-to-door meat vendor, Iowa Steak Company LLC, and its owner, Christopher Maselka ran afoul of the **Kansas Attorney General's Office** last year over its sales practices. Maselka had been barred from using illegal door-to-door sales tactics under a Consent Judgement that he entered into with the agency back in 1998. The most recent complaints were all the same: consumers were approached by aggressive sales representatives and paid hundreds of dollars for meat that turned out not to be the quality they were led to expect. Furthermore, the salespeople cashed consumers' checks right away, failing to notify

them of their three-day right to cancel. The agency obtained a temporary restraining order prohibiting the company from conducting any business in Kansas while the case is still pending.

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 else 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.

Scurrilous Subscription Sales

America's Choice Publishers, Inc. and its CEO, Chris Sidhilall entered into a settlement with the **Georgia Governor's Office of Consumer Protection**, (which is now the **Consumer Protection Unit of the Georgia Department of Law**) to resolve allegations that they engaged in illegal and deceptive telemarketing in the course of selling magazine subscriptions. They were accused of: falsely telling consumers that the purpose of the calls was to advise them that they had been entered into a sweepstakes, when the actual purpose was to solicit them to purchase magazines; failing to actually hold a sweepstakes and to award any prizes until the state commenced its investigation; using fictitious company names to convince consumers that their claims were genuine and induce them to buy magazine subscriptions; failing to clearly disclose that the calls were sales calls, that no purchase was necessary to win a prize, and that making a purchase would not increase the person's chance of winning; and misinforming consumers about the company's cancellation policy. The agency's investigators found that the majority of consumers targeted by the company were over 60 years of age. The defendants agreed to pay \$90,000 to the state and notify consumers who currently have subscriptions that they can cancel the remainder of their contracts without penalty.

The federal Telemarketing Sales Rule requires telemarketers to tell you who they represent, that they are calling to try to sell you something, and, if they are offering the chance to win a prize, that it's not necessary to make a purchase and that doing so will not increase your chances of winning. There may also be requirements for telemarketers under your state law. Don't let yourself be talked into buying something that you don't really want. If you believe that you were misled by a telemarketer, contact your state or local consumer protection agency.

Maddening Mail

The **South Carolina Department of Consumer Affairs** receives many complaints about telemarketing calls, but last year an elderly woman complained about unwanted solicitations in the mail for cable services. She said that she had asked the company three times to remove her from its marketing lists, to no avail. Shortly after the consumer agency contacted the company, the annoying mailings stopped.

You can put your phone number (including cell phone) on the national Do Not Call registry to reduce the number of sales calls you receive, but there is no government-run Do Not Mail registry. Most legitimate companies, however, will respect your request to stop sending you their offers. There are also services provided by industry associations and credit bureaus to remove you from mailing lists for free or very low cost. Learn more about stopping unwanted mail, email, and telemarketing solicitations at www.consumer.ftc.gov/articles/0262-stopping-unsolicited-mail-phone-calls-and-email.

Household Goods

Utah Business in Hot Water

A business that refurbished hot tubs and offered used ones for sale got into hot water with the **Utah Division of Consumer Protection**. Between 2012 and 2015, the agency investigated 13 complaints against the company for a variety of alleged misrepresentations and broken promises. These included misleading consumers about the specific styles and models of hot tubs they were purchasing, failing to provide accessories such as stairs, pillows, and covers that were supposed to come with the tubs, failing to make repairs that were covered under the warranties, and using old parts to refurbish tubs instead of new parts as advertised. One customer who returned his tub for repairs never got it back – the business sold it to someone else. Last year the consumer agency obtained an order requiring the company to pay \$55,000 in fines and desist from further violations of state law. It is currently under appeal.

Cooling His Heels

Three months after ordering a \$3,000 Bosch refrigerator from a local business, the consumer still had not received it. Promised delivery dates were cancelled and rescheduled, until the consumer finally lost his patience and asked the **District of Columbia Attorney General's Office** for help. Within two weeks, the refrigerator was delivered.

When you buy an appliance, keep advertisements, receipts, the warranties, and any other documentation that you have in case there are questions later about what you were led to expect. Using a credit card is the best way to pay for a major purchase because you have the right to dispute the charges if the item was never delivered or it doesn't conform to the claims that the seller made about it.

Repair Merry-Go-Round

An Ohio woman who bought two laptop computers discovered that the hinge on one was broken and the hinge on the other appeared to be defective as well. She called the manufacturer several times, but though the laptops were under warranty, each time she spoke to customer service she was told that the warranty had expired. Sometimes the company representatives also tried to sell her an extended warranty. With assistance from the **Cuyahoga County Department of Consumer Affairs**, the problem was finally repaired. In another complaint, a man bought a stereo receiver to help him get through a long illness. It stopped working suddenly and he had difficulty getting the manufacturer to acknowledge that it was under warranty. The manufacturer finally authorized him to send it to a repair facility, but when he hadn't gotten it back after several months, he asked the consumer agency for help. Apparently the repair facility had never received approval from the manufacturer; that misunderstanding was cleared up and the repair was made. When the receiver failed again shortly thereafter, the consumer agency convinced the manufacturer to replace it with a new, working unit.

Manufacturers don't have to provide warranties, but most do, especially for expensive items, because they want consumers to know that they stand behind their products. If there is a warranty, you have the right to see it before you make the purchase, no matter whether you're shopping in a store, in a catalog, or on the Internet. Warranties vary in terms of how long they are, what they cover, and what you have to do to get repairs or a replacement. In addition to written warranties, you have "implied warranty rights" to expect that something is going to work as you would reasonably expect it to. To learn more about warranties go to www.consumer.ftc.gov/articles/0252-warranties.

Troubling Tip-Overs

Dangerous furniture tip-overs were a new problem reported to the **New York State Department of State Division of Consumer Protection** last year. According to the U.S. Consumer Product Safety Commission, unstable and unsecured televisions and large pieces of furniture kill a child every two

weeks, on average, in tip-over incidents, and many more are injured. These deaths include two New York children, one of whom was crushed when a dresser he was climbing tipped over, the other of whom was killed when the DVD player she was trying to reach, along with the television, toppled onto her from a bureau. To address this issue, a new state law has created a consumer outreach program, which the agency will be leading.

The U.S. Consumer Product Safety Commission has launched a campaign to educate the public about the dangers of furniture tip-overs and how to prevent them. Simple steps such as anchoring televisions to the wall, securing top-heavy furniture, and removing toys and other items from on top of furniture so children won't be tempted to climb to reach them can save lives. For more information go to www.cpsc.gov/en/safety-education/safety-education-centers/tipover-information-center/.

Identity Theft

Skimmer Scams

The biggest achievement for the **Florida Department of Agriculture and Consumer Services** last year was launching a campaign to find illegal skimmers on gas pumps. These are devices that are surreptitiously placed on ATMs, gas pumps and other locations where consumers are using their credit or debit cards to steal their account numbers. On average, each incident of skimming results in \$1,103 in fraudulent charges or debits. The consumer agency has discovered more than 190 skimmers on gas pumps so far. Skimming is a felony in Florida; in response to proliferation of skimmers on gas pumps, the state legislature has enacted a new law that requires self-service fuel dispensers to use certain security measures to prevent it and increases penalties for the crime.

Notice something that looks odd on a gas pump or an ATM? It could be a skimming device that identity thieves have attached to steal your account numbers. Report your suspicions immediately to the gas station or financial institution and use a different machine. If you find an unauthorized charge or debit on your account, tell your financial institution immediately.

Refund Rustling

Identity theft was the fastest-growing complaint to the **Kansas Attorney General's Office** last year, including more than 40 complaints about individuals' stolen personal information being fraudulently used to claim their tax refunds. Many of these incidents seem to stem from "phishing" emails that were sent to the human resources departments of large corporations and healthcare institutions in Kansas. In one typical complaint, the consumer had no clue that she was a victim until the service that she was using to prepare her taxes received a notice from the IRS that someone had already filed an electronic tax return in her name. The consumer agency guided her through the process of filing identity theft reports with the local police and the Federal Trade Commission, contacting the Social Security Administration and the IRS, and checking her credit report for other identity theft-related problems.

Don't wait until April 15th to file your income taxes – do it as early as possible so that if you discover that you're a tax ID theft victim you'll be able to start the process of resolving the problem. The IRS is working with law enforcement agencies and tax preparation services to detect and prevent tax ID theft and help victims. More information is at www.irs.gov/individuals/identity-protection. Be aware that if your Social Security number is being used to steal your tax refund, it's possible that it's being used for other fraudulent purposes as well. You'll find a complete guide to what to do if you're an ID theft victim at <https://identitytheft.gov/>.

Internet Sales

A Case of Deja Vu

A disabled man saw a used van advertised for sale online that looked like it was in showroom condition. It had the features he needed such as hand controls and a wheelchair ramp. So he wired \$13,000 to the supplier and paid to have it transported. But when it arrived he found that the hand controls had been cut off and the ramp and door were completely rusted and not working properly. The seller refused to refund his money, claiming that the van was sold "as is." At first when the **Ohio Attorney General's Office** contacted the supplier about the man's complaint it refused to cooperate. On further investigation, however, the agency discovered that several months previously it had received a complaint from another consumer against the same supplier, about the same vehicle, with the same issues. Presented with this information, the supplier agreed to give the man a full refund.

If you're considering buying a car that is advertised on the Internet take care, especially if the seller is far away. It is well-worth paying a local mechanic to inspect it and getting the vehicle's history before you commit to the purchase and the expense of having it shipped. If you have problems after you buy the car you may find that it's difficult to resolve them unless the seller is willing to cooperate.

Read the Fine Print

The **Cambridge Consumers' Council** in Massachusetts has received several complaints about an online company that offers to match various types of care-givers with potential clients. Consumers who want to use the site to find care-givers must register and pay for membership. The problem is that some consumers who sign up only end up using the site once and don't realize that after their initial payment there will be monthly charges of \$30 until they cancel their memberships. For instance, one man successfully found a babysitter for his child through the site and never had occasion to use it again. Several months later while checking his accounts he realized that he was still being charged on a monthly basis and the total had already come to \$180. He wanted the money back but the company refused, insisting that the terms of its auto-renew policy are clearly spelled out, in bold letters, directly under where consumers fill out their credit card information. The consumer agency is discussing with the company how to make the terms even more conspicuous.

Not Really Free

Several consumers made complaints to the **Union County Office of Weights and Measures/Consumer Affairs** in New Jersey about a company that used a Rahway address and advertised free beauty products online. Consumers gave their credit card numbers to pay for shipping, but later found that they were charged for purchases they never authorized. For instance, one woman paid \$4.99 for what she thought was a sample-size container of moisturizer. What she received instead was two full-sized jars of cream, with no accompanying paperwork. Then she received her credit card bill, which showed two charges, one for \$88.97 and the other for \$89.15. When consumers contacted the company, they were pointed to a link on its website where the terms and conditions (more than seven pages long) said that they would be charged for each jar if they failed to contact customer service within 14 days and that they would automatically receive additional shipments unless they cancelled within 45 days.

It's so easy to find and purchase products and services online that we sometimes fail to focus on the terms and conditions. Pay attention to important information such as whether there will be ongoing charges unless you notify the company that you want to cancel. These are commonly found in offers of "free" products and various types of membership programs. If the terms weren't made clear or were deeply buried in the fine print, report the problem to your state or local consumer protection agency. You may also be able to dispute the charges on your debit or credit card if they weren't clearly disclosed.

Investments

Crowd Funding Leads to Nothing

The crowd funding movement has opened the door to a whole new type of consumer problem. While people enjoy contributing money for worthy causes and to spur creativity, some crowd funding requests are pure scams intended to steal people's money. Last year the **San Francisco District Attorney's Office Consumer Protection Unit** received several complaints about a crowd funding campaign to raise money to develop a new high-tech gadget. Everyone who contributed a few hundred dollars would receive one of the devices as soon as it was in production. The company also raised \$1 million privately and at one point even began to advertise the device on its website. Production and delivery kept being delayed, though, and after nearly three years the company declared bankruptcy. None of the crowd funders received their devices or refunds, and no one knows where the money went.

When you donate to someone who is creating a new product or launching a new business there is no guaranty that you'll get what you were promised in return. 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. See more about crowdfunding at www.aq.ny.gov/press-release/aq-schneiderman-offers-tips-new-yorkers-using-crowdfunding-websites-make-donations and www.consumerreports.org/cro/money/crowdfunding-scam.

Landlord/Tenant

Mold That Got Old

A Virginia tenant contacted the apartment management company numerous times to request repairs to damage caused by a major storm, but the repairs were not made and mold started to develop. Due to the lack of response, the tenant vacated the apartment. The tenant was billed a total of \$4,297.13 for lack of proper notice and early termination fees. After the **Fairfax County Department of Cable and Consumer Services** intervened, the landlord agreed that the management company, which was no longer involved with that property, had not handled the matter correctly, and removed the charges. Mold is a common complaint in rental housing. In a complaint to the **South Carolina Department of Consumer Affairs**, the tenant also wanted to break the lease because of the landlord's unresponsiveness, but after the agency contacted him, he agreed to have mold testing conducted and replace the sheetrock as necessary.

Greeted by Roaches

When a Louisiana woman moved into her apartment, she found that it had not been cleaned, but decided to stay the night anyway. She was awoken by roaches crawling all over her. It was so bad that she got up and went to sleep in her car. The next day as she was buying bug spray at a store, roaches crawled out of her purse. She had already spent all her money on the first month's rent and moving supplies and had nowhere else to stay. She called the **Louisiana Attorney General's Office**, which invited her to make a complaint, but the mediator also suggested that she call the corporate office of the property company to try to resolve the problem quickly. She did, and the company agreed to refund the rent she had paid.

Holiday Meltdown

The weekend before Thanksgiving last year, a tenant's refrigerator stopped working. She notified the landlord and obtained a repair ticket, but after 72 hours and numerous phone calls and voicemails, no one had come. Once the **Tennessee Department of Insurance and Commerce Division of Consumer Affairs** contacted the landlord, a new refrigerator was promptly delivered.

Many states require landlords to ensure that their rental property meets certain safety and health standards. Your lease may also state that the landlord will keep the property in good condition. If you call your landlord about a problem, follow up with a letter and keep a copy so you'll have a record of when you provided notice. The time limits for landlords to make repairs sometimes depend on the severity of the problems. Your state or local consumer protection agency can give you information about your rights and how to enforce them if the landlord doesn't cooperate.

Grilling Gone Wrong

When a Maryland woman moved into her apartment, she never received a copy of her lease and was unaware that it forbade grilling on the balcony. She saw grills on other people's balconies, so she thought it was OK, but someone in management saw the grill on hers and called the fire department. Though she was not cited and immediately complied with the fire department's request to remove the grill, the manager sent her an eviction notice. The **Howard County Office of Consumer Affairs** counseled her as she went through the eviction hearing process and the judge ultimately threw the case out.

If there is a lease, be sure to read it before signing and get a copy so you'll know what you can and cannot do on the property.

Retail Sales

Used and Abused

Electronic stores continue to be one of the most frequent subjects of complaints to the **New York City Department of Consumer Affairs**, and in fact the agency received hundreds more of them in 2015 than it did the previous year. In one complaint, the consumer bought a supposedly new cell phone for \$720, but later found that it must have been used because it had more than 250 messages on it. Through mediation, the consumer was given the option of obtaining a brand new phone or a full refund.

As a general rule, advertising should be truthful and not deceptive, and any information that is important to a consumer's decision whether to buy or use a product – such as the fact that it is used – should be clearly disclosed.

Faking It

The **Kansas Attorney General's Office** dealt with a problem last year that it had not handled before, the sale of counterfeit merchandise. Yahya Jawad, a New York man, had set up a "liquidation sale" in a storefront offering phony brand-name handbags, headphones, and clothing worth, had it been genuine, more than \$284,000. It turned out that he was under conditional release awaiting sentencing in federal court for doing the same thing in Iowa, and had several previous convictions for trafficking in counterfeit goods or services. The consumer agency shut the sale down and confiscated the merchandise and nearly \$9,000 in cash. Jawad was arrested and is now serving 41 months in federal prison.

Counterfeiting is not just a problem for the manufacturers whose brands are being faked; it's a problem for consumers as well. Counterfeit goods are often poor quality and in some cases, such as with car parts and medicines, they can be downright dangerous. Another reason to be concerned about counterfeit goods is that they are often supplied by organized crime rings, so buying them puts money in the pockets of crooks. Learn more about counterfeits and how to report them at www.stopfakes.gov.

Pricing Problems

Grocers' use of digital coupons is causing some confusion and a new type of complaint to be made to the **Connecticut Department of Consumer Protection**. State law requires that when a consumable item under \$20 has a price on it or near it and it doesn't ring up at that price, the consumer gets it for free.

The law does not cover situations where digital coupons don't scan properly, so consumers are not entitled to the items for free in that case, though they certainly would be able to argue that they should get the discounted price.

Pay attention when you're using coupons at the store to make sure that the items ring up at the discounted prices. If there are any problems, politely ask to speak with the manager.

Services

Not Licensed to Lie

Pinellas County Consumer Protection in Florida investigated a man last year who used his Polish heritage and fluency in the language to gain the trust of Poles in his community and take money from them for services that he never fulfilled. He was widely known as a lawyer, though he was not licensed as one, and charged high prices for filling out immigration forms and loan applications, preparing leases and deeds, and facilitating real estate transactions. His downfall came when he represented the buyer of a home *and* the person who was selling it. In addition to being paid legal fees by both parties, he took \$77,000 from the buyer for the purchase with the understanding that \$5,900 of it would be used to pay off the seller's mortgage and \$8,400 would be applied to a judgement associated with the sale. He never paid those outstanding debts, pocketing the money instead. He was charged with unlicensed practice of law, unlicensed practice of real estate, and grand theft, found guilty, and ordered to pay more than \$21,000 in restitution to the victims.

Some scammers take advantage of ethnic, religious or other kinds of relationships to gain people's trust and swindle them. Because of the insular nature of some groups, these "affinity" crimes often go unreported. If you know or suspect that a criminal is targeting people in your community, contact your state or local consumer protection agency and the police.

No Gravestone for the Grieving

Funeral-related services were the worst, fastest-growing, and newest types of complaints made to the **Bucks County Office of Consumer Protection/Weights and Measures** in Pennsylvania last year. The worst complaints were against Lifestone by Stefan d/b/a Cartledge Memorials for failure to deliver gravesite memorials and headstones that consumers had purchased for their deceased loved ones. In some cases, years had gone by and the company still ignored the consumers' calls, emails, and letters, or if it responded, blamed the delay on weather or on the consumers themselves. In one case, a woman bought a stone for her husband's grave and hadn't received it nearly a year later when she asked the consumer agency for help. The company contended that the woman failed to answer its emails, when in fact it was sending emails to the wrong address and should have realized that when they bounced back. Because the company has been largely unresponsive, the complaints have been turned over to the **Pennsylvania Attorney General's Office**, which has filed a civil complaint against it.

Handling the arrangements after a death can be stressful, but just as with other major purchases, 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 on time. Don't pay the full amount before everything you were promised has been done.

Locked Into Funeral

The fastest-growing and new complaints to the **Bucks County Office of Consumer Protection/Weights and Measures** involved pre-need funeral services. Many consumers do not realize that once they pay in advance for funeral arrangements they may not be able to change or cancel them. For instance, if the pre-payment is for full vault and burial service, and the person decides later that he or she would prefer

to be cremated instead, it is likely that the contract is non-transferable and non-refundable. The Pennsylvania legislature is considering a bill to provide more protection to consumers in pre-need funeral contracts.

Paying for funeral expenses in advance is a good idea. It ensures that the arrangements that will be needed are covered and locks in the price. But it may also lock you into services without the ability to change them later. Read the contract carefully and ask questions so you're sure you understand the terms. Learn more at www.consumer.ftc.gov/articles/0305-planning-your-own-funeral.

High-Priced Hennas

The worst complaint to the **Broward County Environmental Licensing and Building Permitting Division** in Florida involved a tourist couple who decided to get henna tattoos. They also bought four tee-shirts. While they knew that the shirts were \$6.99 each, it appears that they never asked how much the henna tattoos would cost. So they were shocked when they were presented with a bill for \$700 and told that only debit cards or cash would be accepted. The tattoo shop said it did nothing wrong and offered to resolve the matter with a \$200 store credit, which the couple declined. Fortunately, the tattoos will not last as long as the hole in their bank account.

When you're considering any kind of services, whether it's tattooing or tailoring, be sure to ask what the total price will be before you agree to purchase them.

Missing Memories

Sometimes it's not just consumers' money at stake, it's their precious memories. The worst complaints last year to the **Montgomery County Office of Consumer Protection** in Maryland were about Blue Sky Films, which specialized in wedding videos. More than 40 consumers complained that the company never delivered their videos. After months of negotiations, some of the complainants finally got their videos, but the celebration was short-lived when the owner suddenly stopped cooperating. The **Maryland Attorney General's Office** also had a number of complaints against the company, so the agencies joined forces and charges have now been filed. Whether the remaining victims will ever receive their wedding videos remains to be seen.

Never pay the full amount for services until you have actually received them. Get the date that the services will be performed or delivered in writing, and if the deadline hasn't been met and the business won't respond to you, ask your state or local consumer protection agency for help.

Black Hole Bankruptcy

Consumers can also lose their money, and their belongings, when a business goes bust. The **Fairfax County Department of Cable and Consumer Services** in Virginia received several complaints against a small engine repair company that went out of business and failed to respond to consumers' pleas to return their lawn equipment. Having determined that the company had filed for bankruptcy, the consumer agency worked with the trustee to retrieve everyone's equipment, the value of which exceeded \$7,000.

If a business that has items that belong 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. Contact your state or local consumer protection agency if you can't find the person or retrieve the items.

Not So Urgent Tree Care

In another story from the **Fairfax County Department of Cable and Consumer Services**, someone from a tree service knocked on an elderly woman's door to tell her that limbs hanging over her yard from a neighbor's tree should be removed. The woman agreed to the work, but after the limbs were taken off

she was informed that the whole tree was dead and needed to come down right away. The neighbor was out of the country and so, erring on the side of caution, the woman agreed. After the work was done, however, she realized that the tree may have been healthy and contacted her neighbor. The neighbor accused the service of cutting the tree down without his authorization and demanded that the company remove the stump and extend his fence over the area where the tree had been located. The tree service balked but, with the consumer agency's prompting, finally removed the stump and gave the tree owner \$585 to extend the fence.

Before you agree to services such as tree trimming, get a few estimates and references from previous customers. Ask your state or local consumer protection agency whether there are any licensing or registration requirements for that type of work. And beware of anyone who comes to your door uninvited and insists that you have the work done right away – that may just be a ruse to prevent you from comparing prices or getting another opinion about whether the work is really necessary.

Timeshares

Unwanted Upgrade

A Maryland couple owned a timeshare in Atlantic City. While staying there, they were invited to a meeting with the timeshare company, supposedly to review their membership points. When they got there, however, they were presented with information about all of the repairs that would be needed to repair damage caused by a recent hurricane and, after three hours of sales pressure, they were talked into upgrading their membership to a higher-priced timeshare. When they got home and had a chance to think about it they realized that they had been tricked, as their original timeshare didn't really need a lot of repairs and they would be able to trade to other locations less expensively than they had been led to believe. The **Maryland Attorney General's Office** helped them cancel the new contract and revert to their original timeshare.

Deceptive Deal

The biggest achievement for the **Louisiana Attorney General's Office** last year was the suit it brought against a number of companies and their owners who operate a points-based timeshare sales business called Festiva. New Orleans is home to one of Festiva's resort properties and its sales and marketing events are frequently held in the state. The agency received numerous complaints from consumers within and outside of Louisiana alleging that they had been misled about how easy it would be to schedule the use of their timeshares, their ability to roll unused points from one year to the next, the ease with which they can resell their timeshares if they no longer want them, and other important considerations. The consent judgement provided \$67,029 in restitution for consumers.

Consumers Recoup

Twenty-nine consumers shared \$665,404.88 in cash refunds or debt relief and had their timeshare contracts cancelled as a result of a settlement that Wyndham Vacation Ownership, Inc. made with the **Wisconsin Department of Agriculture, Trade and Consumer Protection** to resolve complaints about unfair trade practices. The company also notified the credit reporting agencies that the consumers do not owe it any money.

Timeshare companies often use long, high-pressure sales pitches and the lure of "prizes" that aren't really free or worth the amount they claim in order to convince you to sign a contract on the spot. Don't be pressured into buying a timeshare. Consider how the cost compares to staying in other types of accommodations when you go on vacation and whether the dates and locations work for you. Learn more about timeshares at www.consumer.ftc.gov/articles/0073-timeshares-and-vacation-plans.

Timeshare Resale Rip-off

Timeshare re-sales, which we have highlighted in previous reports, also continue to be a problem. They were the fastest-growing complaints to the **Connecticut Department of Consumer Protection**. In one example, a couple who had owned a timeshare in Mexico for 10 years contacted the resort company about putting it up for sale. They heard nothing back until they were contacted by someone using a company name, Diamond Resorts International, which was very similar to the name of the company they dealt with. The person told them that they would need to wire \$1,946 to an “escrow agent,” and they did as instructed. Next the couple was notified to send \$5,300 for sales taxes and foreign registry fees, which they also did. It was a total fraud, however. Whether the reseller was connected in any way with the real resort company is hard to say – it is not uncommon for unscrupulous timeshare companies or their employees to sell lists of timeshare owners who might be lured into re-sale scams. The one sure thing is that money sent to fraudsters is usually gone for good, as it was with this couple.

Own a timeshare you don't want? Avoid companies that ask for their fees upfront regardless of whether they succeed in selling your timeshare or not, and don't believe them if they claim that they have eager buyers waiting. Consult with a licensed real estate broker or agent who can tell you if there is a market for your timeshare and will only take a fee if it's actually sold. For more information about timeshare resale scams go to www.consumer.ftc.gov/blog/timeshare-resellers-quick-money-promises.

Towing

Free Festival Parking

Vehicle towing and immobilization was the fastest-growing complaint to the **Broward County Environmental Licensing and Building Permitting Division** in Florida last year. For example, a handicapped woman attending the Fort Lauderdale Jazz Festival asserted that a police officer told her that she could park anywhere she could find a space for free for four hours. She found a handicapped spot and put her placard on the dash. She returned to find a boot on the car and was forced to pay \$65 to remove it and \$15 for parking. With the help of the consumer agency, she got a full refund.

Towed With No Warning

Disputes about towing were also the fastest-growing complaints to the **Fairfax County Department of Cable and Consumer Services** in Virginia. In one case, the consumer contended that he was parked on a state transportation department right of way and there were no tow warning signs posted. The towing company claimed that *it* owned the property in question and that a sign had been posted there for years. When the consumer agency investigated, it found that it was indeed a state transportation right of way and there was no evidence of any no-parking signs having ever been posted. The towing company agreed to waive the \$1,735 charge and release the consumer's vehicle.

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

Travel

Ticket to Nowhere

An Ohio man was distraught when he paid nearly \$1,000 for an airline ticket for international travel and never received it. The supplier was out of the country and unresponsive. The good news is that the **Ohio Attorney General's Office** was able to work with GreenDot, which he used to make the payment, to retrieve the funds.

The safest way to pay for travel services is by credit card because you can dispute the charges if the services were never provided. Legitimate travel companies won't ask you to pay using money transfer services or prepaid cards.

Terror ends Trip

Prior to the latest terror attacks in Paris, a Massachusetts man purchased a trip for his daughter to go to France, Italy, and Spain. Fearing for her safety, he decided not to send her and asked the travel agency for a refund. It refused, because under the contract concerns about the safety of a destination was not a legitimate cause to cancel without penalty unless the federal government formally restricted travel there. The **Cambridge Consumers' Council** tried but failed to get either side to budge.

Read contracts for travel services carefully before you pay. There may be restrictions on your ability to change or cancel your plans. Travel insurance may be helpful but the same advice applies: read the terms to understand the coverage and any limitations.

Utilities

Cancel those Charges

A senior citizen asked the **Tennessee Department of Commerce and Insurance Division of Consumer Affairs** for help with a three-year old problem with a cable company. The consumer had gone to the local office of the company to cancel his service and return the equipment, but he continued to be billed. He paid one bill without realizing that he did not owe it and when he got the next bill, he called the company to complain. He was told that he should have cancelled with the main office, not the local one, and while the billing stopped at that point, he was unable to get his money back and have the unpaid bill and late charges that had accumulated removed. Through mediation, the consumer agency got him a refund and had the account adjusted to a zero balance, saving him a total of \$129.35.

Relief at Last

A man asked the **Montana Office of Consumer Protection** for help to resolve a problem with Century Link. He had returned his Internet modem to the company but it claimed not to have received it and charged him \$99 plus late fees. Unsure what to do and despite the fact that he had delivery confirmation from UPS, he paid the bill. The consumer agency got his money refunded, a total of \$155.

If you want to cancel your cable or Internet service, ask the company for instructions. Get a receipt for any equipment you returned and if you are billed in error, call right away to try to resolve the problem.

Rate Won't Stay Put

A Connecticut consumer who makes a lot of international calls was very happy when he learned that his phone company offered a plan that provided hundreds of minutes of calls to Europe for just \$4.99 per month or \$0.06 per minute. He signed up for the \$4.99 deal, then realized that he could save more by going with \$0.06 per minute, so he asked to switch. The company agreed. On his next bill, however, he was charged at \$3.50 per minute. He called to have it corrected, but every month he had to go through the same hassle. Disgusted, he turned to the **Connecticut Department of Consumer Protection**, which got the problem corrected once and for all.

When you change your calling plan, you should receive confirmation. Keep that information and if there is any problems with your next bill, contact customer service. Make a note of the date you called, who you spoke with, and what you were told, and if you don't succeed in resolving the problem, ask your state or local consumer protection agency for advice.

Cell Phone Hell

The fastest growing complaints last year to the **Los Angeles County Department of Consumer and Business Affairs** were about cell phone billing issues. Many consumers don't seem to understand the costs of their plans, and the salespeople at third-party retailers sometimes don't provide adequate information about the plans. Even if there is no confusion and the consumer does everything correctly, however, billing disputes can arise. In one instance, a woman bought a cell phone and plan and then changed her mind. Though she returned the phone and cancelled the plan within the 14 days that the contract allowed, the company claimed that she owed money and sent her to collections. The consumer agency got the account adjusted to reflect a zero balance and had the negative information removed from her credit report.

Don't just rely on what the salesperson says; get the details of your wireless plan in writing, including how much the service will cost, what features are included, and the cancellation policy. If you do cancel, note the date in case there are any questions or billing issues later.

Sneaky Sales Tactics

Utility complaints were the fastest-growing category at the **Cambridge Consumers' Council** in Massachusetts last year, especially as some third party electric suppliers have become more aggressive in their sales tactics. One consumer let a representative of a competing electric service into her home and showed him her bills to go over possible savings if she changed suppliers. She did not, but someone else did – it appears that the salesperson took down her account number and had someone call the woman's supplier, pretending to be her, to authorize the switch. Aided by the requirement under state law that calls to authorize changing service must be recorded, the consumer agency was able to get the woman's service switched back. The **Consumer Assistance Office – Metro West in Massachusetts** also said that electricity-related issues were its fastest-growing complaints last year, and the **New York State Department of State Division of Consumer Protection** noted that the worst consumer problems reported to it last year were about unfair and deceptive practices in the sale of both gas and electricity, including misleading people about potential savings and imposing large early termination fees for those who want to cancel their contracts.

With the option to choose your electricity and natural gas suppliers, 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 directly to confirm. Ask your state or local consumer protection agency if there are rules that gas or electric suppliers must follow and how to make a complaint about violations.

Damage Undone

At **Hillsborough County Consumer Services** in Florida, the fastest-growing complaints last year were related to telephone services. For instance, a man complained that Verizon, doing business as Unitek, penetrated a sewer line while installing a large fiber optic cable, causing his driveway to erode. The consumer agency helped to convince the company to reimburse him the \$5,575 repair cost.

Generally, utility companies should be responsible for fixing any damage that they cause to your property in the course of their work. Get a written estimate for the repair and search for a local business office of the company to ask how to make a claim. If you can't resolve the problem, contact your state or local consumer protection agency.

Consumer Agencies' Biggest Achievements in 2015

We asked state and local agencies to describe their biggest achievements during the survey period. These could be major enforcement actions and initiatives, new websites or other efforts to reach consumers and businesses with educational information, improved internal systems, new laws or regulations, or other significant achievements. Some of the responses are provided below; others appear in the “real world complaints” section of this report.

Enforcement

- For the **District of Columbia Attorney General's Office**, the biggest achievement of 2015 was obtaining a preliminary injunction against a husband and wife home developer for shoddy home construction. The couple had sold homes plagued with construction defects to more than fifteen District consumers. The preliminary injunction prevented the couple from performing any more development work without oversight and approval from the District. The case was subsequently resolved through a consent judgment that required the couple to pay full restitution to each harmed consumer.
- **Hillsborough County Consumer Protection Services** in Florida helped to implement and enforce a new “wage theft” ordinance, which was enacted to ensure that employees are paid what they are owed. In the first five months since the ordinance took effect the agency assisted in recovering more than \$8,800 for workers who were short-changed by their employers.
- The **Kansas Attorney General's Office** obtained a \$400,000 settlement with CBG Diversified, Inc. to reimburse farmers who fell victim to a grain broker scheme operated by one of the company's franchisees. The broker promised to negotiate higher prices for the farmers' grain crops than they could get themselves. After the farmers received initial payments, however, they never saw another dime.
- The **Los Angeles County Department of Consumer and Business Affairs** in California got more than \$16 million in fraudulent charges removed from the credit reports of 7,700 young people in foster care last year. Foster youths are particular vulnerable to identity theft because as they move from home to home their personal information is accessible to many adults, some of whom succumb to temptation to use it to obtain credit or for other purposes. The consumer agency works with the county Department of Children and Family Services to run the credit reports on foster youths when they turn 16, then contacts the three major credit bureaus to clear any fraudulent items from the reports and freeze them until the youths turn 18.
- Investigations conducted last year by the **New York City Department of Consumer Affairs** in New York uncovered nearly two dozen debt collection agencies that lacked the required licenses or were in violation of other consumer protection laws. The resulting settlements secured more than \$1 million in restitution for nearly 4,800 consumers, as well as \$1.3 million in fines. In a related victory, a court ruled that the department is authorized to regulate law firms that collect on debts in the city.
- The **New York State Department of State Division of Consumer Protection** reached a settlement with Hilton Grand Vacations Company, LLC to resolve allegations that the company made telemarketing calls to consumers whose telephone numbers were on the national Do Not

Call Registry. While not admitting to wrongdoing, the company agreed to pay more than a \$250,000 and change its business practices.

- As a result of a multi-state effort led by the **Ohio Attorney General's Office**, the three major credit reporting agencies, Equifax, Experian, and TransUnion, made significant changes to their business practices. Under the settlement, they agreed to impose higher standards on the companies that provide consumer reporting information to them, give added protections to consumers who dispute items in their credit reports, limit the type of information that can be added to a credit report, and limit their direct-to-consumer marketing.
- The **Orange County Consumer Fraud Unit** in Florida obtained more than \$1 million in savings and restitution for consumers last year, mainly due to successfully helping them cancel timeshare contracts. The agency has worked to encourage timeshare companies to change their policies to make it easier for consumers to cancel if health problems prevent them from using their timeshares or if they believe that they were enticed with deceptive sales tactics to enter into a contract.
- The **San Francisco District Attorney General's Office**, working with the Los Angeles District Attorney's Office, took enforcement action against Uber Technologies and its subsidiaries that resulted in \$25 million in civil penalties and a permanent injunction to settle allegations of unlawful business practices. It ended a years-long standoff between Uber and California regulators concerning the company's refusal to submit its fare calculation technology for an evaluation of its accuracy, hastened its efforts to obtain permits to operate at California airports, and led it to change its advertising so that the company no longer claims that its background checks are the "best" in the industry. The agencies' actions also contributed to Uber's agreement to settle several class action lawsuits against it. The company paid \$1.8 million in restitution to consumers whom it had charged for fake "airport tolls." Another spate of class action suits regarding Uber's safety claims is in the process of being settled.
- In response to the increase in businesses being targeted for scams, the **Vermont Attorney General's Office** dedicated more resources last year to handle complaints from businesses about credit card processing services, unsolicited products and services, defective equipment, unauthorized billing, and other problems that they encountered in the marketplace.
- The **Wisconsin Department of Agriculture, Trade and Consumer Protection** reached a settlement with Ohio-based American Broadband and Telecommunications Company to resolve violations of the state's no-call law. The company allegedly failed to register as a telemarketer before making sales calls to Wisconsin residents and called numbers that are on the Do Not Call Registry. The company will comply with legal requirements in the future as outlined in the Consent Order and will provide a copy of that order to anyone who provides marketing activity on its behalf and to any person who is responsible for operating or maintaining its dialer system.

Internal Improvements

- Despite being understaffed, the **Maryland Attorney General's Office** was able to increase the number of complaints it handled last year, from 10,039 in 2014 to 11,096 in 2015, and more than doubled the amount that it recovered for consumers, which totaled \$17,426,033.

Legislation

- The biggest achievement for the **Montgomery County Office of Consumer Protection** in Maryland last year was its work to research, draft, and negotiate major revisions to the county's 25 year-old trespass towing law. Complaints about towing consistently rank among the top types of problems that consumers report to the agency, and the law did not adequately address the overly aggressive and predatory towing practices that led to those complaints. Under the revised law, private property owners who want to be able to have unauthorized vehicles towed must register their lots with the consumer agency, which created a new registration program for that purpose. They are also required to submit annual reports showing how many vehicles were towed and why, to provide written authorization for each tow, and to obtain photographic evidence of the violation that preceded the tow. Towing companies must be open 24 hours a day, seven days a week to allow car owners to retrieve their vehicles, must accept cash and at least two of the most widely used credit cards, and must provide the vehicle owner a copy of the photo documenting the violation along with a receipt. The new law also enhances the consumer agency's enforcement capability by granting it the authority to issue subpoenas and giving its investigators, as well as police officers, the power to order a vehicle to be released if they believe the tow would be or was unlawful, or to prevent a breach of the peace.
- For the **Oregon Department of Justice**, making the state's data breach law actionable under the Oregon Unlawful Trade Practices Act was the biggest achievement of 2015.

Outreach to Consumers and Businesses

- The **Cambridge Consumers' Council** in Massachusetts conducted many community outreach efforts last year with other city departments as well as nonprofit organizations. Most notable was the annual "Shred Day" event to make the public aware of identity theft and the need to securely dispose of sensitive information. More than 400 residents showed up, completely filling a 10,000 truck with documents in just three and a half hours.
- One of the **Connecticut Department of Consumer Protection's** major achievements last year was leading a multi-agency effort to protect constituents from student loan scams. Working with the state Attorney General's Office and the Department of Banking, the consumer agency created a guide, available in seven languages, to educate the public about how student loans work. Connecticut ranks seventh in the nation in student loan debt; the average owed is \$29,750.
- The **Cuyahoga County Department of Consumer Affairs** in Ohio completely overhauled its website last year, making it much easier for people to navigate, read alerts, make complaints, and request a speaker. The agency also created accounts on Twitter, Facebook, Instagram and Pinterist to expand its outreach.
- The **Fairfax County Department of Cable and Consumer Services** in Virginia initiated a major campaign last year, inspecting nearly 600 retail establishments to ensure compliance with an ordinance that requires signs providing information about the agency and its services to be prominently posted in check-out areas.
- The **Howard County Office of Consumer Affairs** in Maryland sponsored "Know Before You Owe – Student Loan Forum and Resource Fair," a program featuring experts who provided advice about shopping for student loans and how to avoid predatory lending practices. More than 125 people attended the event, which was also broadcast over the county's cable access channel.

- The **Consumer Assistance Office – Metro West** in Massachusetts created a presentation about online shopping, using short videos from the Federal Trade Commission’s website and other materials to teach consumers about how to avoid rip-offs and other problems.
- **Pinellas County Consumer Protection** in Florida stepped up its public outreach efforts last year, working with local high schools and summer camps to provide financial literacy programs to children and with the county speakers’ bureau to offer presentations to residents on a wide variety of topics. In the first seven months of this year the consumer agency has already broken the record it set in 2015 for conducting 100 such events.
- In October 2015, South Carolina was devastated by a thousand-year flood. Since the tremendous rainfall that occurred was anticipated, the **South Carolina Department of Consumer Affairs** was able to gear up, issuing alerts about common disaster-related problems such as price gouging before the rain started to fall. As the storm progressed, the agency kept in touch with the media, legislators and other agencies to share reports about disaster scams and information about how to prevent them. The consumer agency quickly created a handout, “Beware of Disaster Scams,” that was distributed to people applying for FEMA assistance, and in partnership with automobile dealers’ associations, it updated its “Flood Vehicles” brochure. It also used social media to keep the flow of information going among stakeholders and the public. As a result of these efforts, there were only minimal reports of flood-related scams.
- Last year the **Tennessee Department of Commerce and Insurance Division of Consumer Affairs** hosted and co-sponsored many “shred it” events and educational forums to increase public awareness about identity theft and other consumer issues. It also created an 18-month calendar full of tips and resources for consumers and hosted a “Day on the Hill” with the state legislature and other agencies and partners to promote consumer awareness and education.
- The **Utah Division of Consumer Protection** and the Federal Trade Commission co-hosted the “Utah Consumer Protection Summit” last October. The approximately 280 participants included representatives of federal and state agencies, businesses, legal service offices, and organizations such as the Better Business Bureau and the Salt Lake Chamber of Commerce.

Consumer Agencies' Biggest Challenges in 2015

State and local consumer agencies face many internal and external challenges as they try to help people with complaints, police the marketplace, and prevent constituents from falling prey to scams and abuse. Below are some examples of these challenges.

Coping with Internal Challenges

- While the population of Broward County in Florida continues to grow, staffing and resources at the **Broward County Environmental Licensing and Building Permitting Division** have not kept pace, even as new responsibilities have been added to its mandate. Several other survey respondents said that understaffing and lack of adequate resources were their biggest challenges.
- The **Vermont Attorney General's Office** and some other agencies use volunteers to help mediate complaints.
- Employee training is another challenge that was cited by **Hillsborough County Consumer Protection Services** in Florida and other agencies. As long-time personnel retire, sometimes funds are not available to fill the positions, and even when there are, a considerable amount of training is required to replace employees who had years of experience.
- The **Oregon Department of Justice** noted that training even seasoned attorneys, investigators and support staff in areas of complex litigation is also a major challenge facing consumer agencies. According to **Pinellas County Consumer Protection** in Florida and some of the other survey respondents, another challenge is the competitive environment for experienced attorneys or investigators. Consumer agencies may not be able to match the pay scales that they might find elsewhere.
- Changes at the top can also be challenging as the new person in charge reviews existing programs to determine if restructuring is needed. When a new county executive was elected last year, the **Howard County Office of Consumer Affairs** in Maryland said that good communication up and down the management ladder was very helpful in making the transition go smoothly.

Keeping Up with New Trends and Scams

- The **Bucks County Office of Consumer Protection/Weights and Measures** in Pennsylvania cited an influx of complaints about scams, especially about calls from bogus IRS agents, as its biggest challenge last year. The agency worked with Consumers Union to circulate a petition calling telephone companies to do more to protect customers from illegal "robocalls."
- Many of the robocall complaints that the **Florida Department of Agriculture and Consumer Services** receives are not about problems with sales of goods or services. The incentive for the callers, regardless of what they are offering, is to collect a "dip fee," a fraction of a cent that they get from the telephone companies for completing calls to landline telephone customers who have Caller ID services. Those fractions add up, so some telemarketers blast out billions of calls across the country without regard to whether they are annoying consumers, violating their no-call rights, or ultimately selling them anything.

- Internet-based scams presented the biggest challenge for the **District of Columbia Attorney General's Office** last year because of the difficulty it has making contact with companies whose physical locations cannot be determined.
- The evolving nature of fraud was cited by the **Louisiana Attorney General's Office** and several other agencies as the biggest challenge they faced last year. No matter whether it's Internet fraud or phone fraud facilitated by Internet-based calling services and other technologies, it's getting harder to identify the individuals behind the schemes and track them down.
- According to the **Consumer Assistance Office – Metro West** in Massachusetts, it takes much time and effort to research companies using state corporation directories, the WHOIS database, and other resources. If the companies use registered agents, there may be additional hoops to jump through just to get a letter to them, such as sending it by certified mail or hiring a process server. Furthermore, many scammers are located overseas, making enforcement daunting even when they can be located.

Maintaining, Improving, and Expanding Systems and Services

- In the face of budget challenges, the **Connecticut Department of Consumer Protection** has re-evaluated its priorities to focus more on public safety and health, and improved its complaint handling process to shorten response times and screen out minor complaints.
- When a new Scrap Metal Theft Reduction Act took effect last year, the **Kansas Attorney General's Office** was tasked with implementing, administering, and enforcing it. To provide education and information about the law to local governments, scrap metal dealers, and the public, the consumer agency issued notices, worked with the news media, and created a new page on its website. It also hired new staff to oversee the program. One of the biggest challenges was how to make contact with all of the scrap dealers in Kansas. The consumer agency obtained lists of relevant businesses from a variety of state and local government sources. The new scrap metal registration unit within the agency issued its first mailing to dealers last December and the registration process is ongoing.
- Last year the Los Angeles County Board of Supervisors in California decided to create a minimum wage enforcement program within the **Los Angeles County Department of Consumer and Business Affairs** to ensure that workers in unincorporated parts of the county are being paid the money that they are owed. Wage theft is a major problem in the county – estimates are that a total of \$26.2 million in wages is stolen every week from workers. The consumer agency is in the process of setting up the program, which will start in 2017. It will include taking complaints and investigating them, issuing citations, and negotiating settlements. There will also be a hearing and appeals process and the agency will oversee the collection and disbursement of back wages.
- Protecting vulnerable immigrant communities from scams and abuse is a constant challenge for the **New York City Department of Consumer Affairs** in New York. In 2015 the agency launched a multipronged and aggressive effort focusing on employment agencies that take advantage of immigrants who are looking for jobs. It conducted more than 225 investigations, issued more than 400 citations, and recouped in excess of \$77,000 for 269 consumers. The agency recently released a new multilingual “Job Hunter’s Bill of Rights” to help educate constituents about employment agencies. It is also participating in a state task force to counter unscrupulous practices against immigrant communities.

Effectively Reaching Constituents

- To protect consumers in underserved communities more effectively, the **Connecticut Department of Consumer Protection** made a more concerted effort to translate its materials into multiple languages and develop relationships with influencers in those communities. Among its ongoing initiatives are regular columns that appear in Spanish, Portuguese and Polish-language newspapers.
- The **Montgomery County Office of Consumer Protection** in Maryland noted that as the growing number of social media platforms and online news sources continue to edge out newspapers and other traditional forms of media, it is increasingly challenging for consumer agencies to connect to the public. It is revamping and updating its outreach efforts to ensure that all of the one million residents of the county know about the services that it provides.
- The **Orange County Consumer Fraud Unit** in Florida noted that since it can be confusing for consumers to know which agencies are best suited to help them, it would be helpful if a protocol could be developed between federal, state and local consumer agencies for referrals, with a standardized intake process to make it easy to transfer complaints from one agency to another.
- Since the rise in cybercrimes is difficult for state and local consumer agencies to deal with on their own, the **New York Department of State Division of Consumer Protection** is making plans to partner with other agencies in the state to launch a cyber security public education campaign next year.
- The **Tennessee Department of Commerce and Insurance Division of Consumer Affairs** was among several agencies that noted the need to use social media and other new channels to get information out to the public in a more timely manner and in a form that they can relate to.

Methodology

Thirty-three agencies from 21 states (16 are state entities, including for purposes of this report the District of Columbia; 14 are county; two are city; and one covers a region within a state) participated in the survey, which was conducted from March to June 2016. They represent a cross-section of the state and local consumer protection agencies that serve the public across the United States (see Appendix A for the list of participating agencies). All are government entities except the Consumer Assistance Office - Metro West in Massachusetts, which is a nonprofit organization that receives state funding to handle complaints and educate the public in a certain geographic area.

The survey covers a one-year period, in most cases January through December 2015 (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).

Since there is no uniform set of complaint categories that all agencies use, the survey posed open-ended questions such as "List the top ten subjects of complaint to your agency received during the survey period." 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 have separate categories for new car sales, used car sales, auto repairs, and auto leasing. Complaints about telephone services may be in utilities or in a separate category for communications services. In the report, complaints were grouped under general subject headings as necessary.

Collectively the agencies that participated in the survey received 201,307 complaints during the survey period and recovered or saved \$131,296,385 for consumers. It is important to note that the number of consumers who benefitted from enforcement actions taken by the agencies may in some cases be higher than number of complaints they received. The complaint numbers also do not reflect the millions of consumers who contacted the agencies for advice.

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.

Agencies were also asked for their suggestions for new laws needed to better protect consumers and to describe their biggest achievements and challenges. The report provides their answers to these questions and does not purport to express the views or opinions of Consumer Federation of America or the North American Consumer Protection Investigators.

The report is based on the complaints made to participating state and local consumer protection agencies last year. Since it is not based on a random survey of consumers, it does not necessarily provide an accurate measure of the problems that consumers encounter in the marketplace. Some consumers do not complain about their problems to anyone, and of those who do, some may complain to other entities such as federal agencies or Better Business Bureaus. There are also specialized agencies at the state and federal level that take certain types of complaints, such as those against securities dealers. We did not survey federal agencies, nor did we survey state and local agencies that only have one function such as regulating insurance or banking.

Appendix A
Agencies Participating in the 2015 CFA/NACPI Consumer Complaint Survey

California

Los Angeles County Department of Consumer and Business Affairs
www.dcba.lacounty.gov

San Francisco District Attorney's Office Consumer Protection Unit
www.sfdistrictattorney.org

Connecticut

Connecticut Department of Consumer Protection
www.ct.gov/dcp

District of Columbia

District of Columbia Attorney General's Office
www.oag.dc.gov

Florida

Broward County Permitting, Licensing and Consumer Protection Division
www.broward.org/permittingandlicensing

Florida Department of Agriculture and Consumer Services
www.800helpfla.com

Hillsborough County Consumer Protection Services
www.hillsboroughcounty.org/consumerprotection/

Orange County Consumer Fraud Unit
www.ocfl.net/?tabid=1098

Pinellas County Consumer Protection
www.pinellascounty.org/consumer

Georgia

Georgia Department of Law - Consumer Protection Unit
www.consumer.ga.gov

Kansas

Kansas Attorney General's Office
www.InYourCornerKansas.org

Louisiana

Louisiana Attorney General's Office
www.ag.state.la.us

Maryland

Howard County Office of Consumer Affairs
www.howardcountymd.gov/consumer

Maryland Attorney General's Office
www.oag.state.md.us

Montgomery County Office of Consumer Protection
www.montgomerycountymd.gov/OCP

Massachusetts

Cambridge Consumers' Council
www.cambridgema.gov/consumercouncil.aspx

Consumer Assistance Office - Metro West
www.caomw.org

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

Montana

Montana Office of Consumer Protection
www.dojmt.gov/consumer

New Jersey

Ocean County Department of Consumer Affairs/Division of Weights and Measures
www.co.ocean.nj.us/consumer/

Union County Division of Weights and Measures/Consumer Affairs
www.ucnj.org

New York

New York City Department of Consumer Affairs
www.nyc.gov/consumers

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

Ohio

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

Ohio Attorney General's Office
www.ohioattorneygeneral.gov

Oregon

Oregon Department of Justice
<http://www.doj.state.or.us/>

Pennsylvania

Bucks County Consumer Protection, Weights and Measures Office
www.buckscounty.org/consumerprotection

South Carolina

South Carolina Department of Consumer Affairs
www.consumer.sc.gov

Tennessee

Tennessee Department of Commerce and Insurance
Division of Consumer Affairs
www.tn.gov/consumer

Utah

Utah Division of Consumer Protection
www.dcp.utah.gov

Vermont

Vermont Attorney General's Office
<http://www.atg.state.vt.us/focus/consumer-info.php>

Virginia

Fairfax County Department of Cable and Consumer Services
www.fairfaxcounty.gov/consumer/

Wisconsin

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

Tips for Consumers from the 2015 CFA/NACPI Consumer Complaint Survey Report

Auto

Look for auto repair facilities that feature technicians certified by the nonprofit National Institute for Automotive Service Excellence (ASE). For more information go to www.ase.com.

Have a problem with an auto repair shop? Give the owner or manager a chance to resolve it, but if that fails, contact your state or local consumer protection agency for advice and assistance.

Before you buy a used car, have it checked out by a mechanic you trust to look for problems that might not be obvious to you until after the purchase.

Eyeing a used car? Get its previous history through the National Motor Vehicle Title Information System, www.vehiclehistory.gov, so you'll know what you're bargaining for. However, there may be problems that don't show up in these reports. For instance, not all states require cars that were bought back as "lemons" to be "branded" as such. Your state or local consumer protection agency may provide information on its website about what to ask BEFORE you sign on the dotted line. You can also find car buying tips from the International Association of Lemon Law Administrators at http://ialla.net/pub_1.htm.

Do you suspect that a car dealer is doing something shady? Report it to your state or local consumer protection agency.

Credit/Debt

Need help modifying your loan or avoiding foreclosure? For information about your options and eligibility for help from the government go to 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.

You have the right to dispute card charges that you never authorized. See www.consumer.ftc.gov/articles/0213-lost-or-stolen-credit-atm-and-debit-cards for tips from the Federal Trade Commission about what to do if your credit card is lost or stolen.

Don't be pressured into paying money that you don't owe. If you're not sure, or the amount is incorrect, or you believe that you don't owe the debt at all, you can dispute it. Learn more about fake debt collectors at www.consumer.ftc.gov/articles/0258-fake-debt-collectors.

State laws set limits on the number of years that creditors have to sue for debts. That doesn't prevent debt collectors from contacting people after that time has passed, however, to try to convince them to pay. Learn more at www.consumer.ftc.gov/articles/0117-time-barred-debts and ask your state or local consumer protection agency what the time limit is under your state's law.

Under federal [law](#), you have the right to tell debt collectors not to contact you again. It's illegal for them to call with annoying frequency or at certain hours, falsely say they're going to take legal action, use obscene language, threaten bodily harm, or reveal information about your debt to someone else. You may also have rights under state law; check with your state or local consumer protection agency.

Keep records of loan discharges and other important paperwork in safe-keeping indefinitely since you never know when you might need the documentation.

It's hard to tell if a website is fake. One thing to look for is whether the "http" at the beginning of the address bar turns to "https" at the point where you are providing your financial information, indicating that the site is secure. But that's still no guarantee that the site is legitimate. Payday loans are expensive and can trap you in never-ending cycle of debt. If you really need one, it may be safest to apply in person rather than online. Be sure that you know how the loan works, how much it will cost and if it's legal where you live, and don't take it unless you're sure that you can pay it off when it's due. Learn more at www.consumerfinance.gov/askcfpb/search/?selected_facets=category_exact:payday-loans.

Employment

Before you pay for help getting a job, ask your state or local consumer protection agency if there are laws or regulations that the employment agency or service must follow. There may be restrictions, for instance, on charging customers before the promised services are actually provided. Check the company's complaint records at the Better Business Bureau, www.bbb.org. For tips on job scams and how to protect yourself, go to www.consumer.ftc.gov/articles/0243-job-scams.

Food

If you don't see prices posted for food or other items offered by sidewalk vendors, how can you be sure that you are being charged fairly? Take your business elsewhere.

Fraud

If you have legitimately won a prize or are in line for an inheritance, you'll be notified by certified letter, not by email, and you won't be asked to pay to claim it. These scams take advantage of our natural desire to believe that it's our lucky day. But if you send money your luck, and your savings, will eventually run out. Learn more about how to spot and avoid scams at www.fraud.org.

Looking for a place to live or to stay while on vacation? Use realtors that are in directory listings or well-known platforms such as Airbnb and beware of danger signs of fraud such as requests to wire money. For more about rental scams go to www.consumer.ftc.gov/articles/0079-rental-listing-scams.

The IRS doesn't contact taxpayers via email, text messages or social media channels to ask for personal or financial information. And IRS agents don't call taxpayers with threats of lawsuits or arrests. Report suspected IRS imposter scams to the Inspector General at the U.S. Treasury at www.treasury.gov/tigta/contact_report_scam.shtml.

If someone calls unexpectedly claiming to be from your utility company, demanding payment or your service will be shut off, don't panic and don't send any money. Hang up and call your utility company directly to verify your account balance and report the scam. Make sure that everyone in your home and business is aware of utility imposter scams and knows the danger signs, such as asking for payment to be made via prepaid cards, gift cards, or PayPal. It's also helpful to report this and other imposter scams to your state or local consumer protection agency so that it can issue a public warning.

Last summer the Federal Bureau of Investigation issued an alert about these scams. Go to www.fbi.gov/news/stories/2015/august/business-e-mail-compromise/business-e-mail-compromise.

The U.S. Citizenship and Immigration Services (USCIS) office within the Department of Homeland Security can answer questions about immigration and supply the required forms. Go to www.uscis.gov or call 800-375-5283, TDD 800-767-1833. Only licensed attorneys or nonprofit organizations that are

authorized by the USCIS can represent you or give you legal advice about immigration.

Fuel

Gasoline sales are regulated to make sure that consumers are getting the quantity and the octane that was displayed on the pumps and that the gas is not adulterated. If you suspect that the gas you purchased was bad, ask your state or local consumer protection agency where to report it.

Read your contract for fuel deliveries carefully so you'll know if it automatically renews for the next heating season and what steps you need to take if you want to get fuel from another supplier.

Prepaying for propane or heating oil may save you money, but make sure you get a written contract that shows what you bought, how much you paid, and whether there will be any additional charges.

Health Products/Services

Using a credit card is the best way to pay for fitness services in advance because you have the right to dispute the charges if you don't get what you were promised. Since situations can change, avoid contracts that lock you in for a long period of time and require you to pay a penalty if you cancel.

Be skeptical of claims that you can shed fat without changing your eating habits or exercising. You'll end up losing your money rather than losing pounds. Learn more about weight loss and fitness at www.consumer.ftc.gov/topics/weight-loss-fitness.

Order health-related products only from businesses that you know and trust or whose reputations you have checked with the Better Business Bureau, www.bbb.org.

Home Improvement/Construction

In many states contractors must be licensed or registered to ensure that they are competent and operating safely. Before you hire one, ask your state or local consumer protection agency what requirements apply and how you can check on whether the contractor is in compliance.

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. Never pay the full amount until the job is done. 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.

Steer clear of driveway pavers, painters, roofers, or other itinerant contractors that show up uninvited at your door. These are scammers whose only interest is to take your money. If they do any work at all, it is shoddy and incomplete. Don't let them in your house. Just say "no thanks" and contact the police after they leave. If you can, give the police a description of the vehicle and the license plate number.

Remodeling can be an overwhelming project for homeowners. There are so many decisions to make initially, and you may want to change or add things as the job progresses. There may also be unexpected problems with suppliers and subcontractors. Good communication with the contractor is key. Make sure you understand what is included in the contract, get agreement about all changes or additions, and the related costs, in writing, and talk to your contractor as soon as possible if you have any questions or concerns.

Even reputable contractors may take on more jobs than they can handle or experience personal problems that interfere with their work. To protect yourself, pay only a small amount upfront and proportionately as the work progresses.

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.

New home construction is an expensive investment. Get all promises in writing and if there is a warranty bring any problems to the builder's attention within the time period required. If defects in materials or construction appear after the warranty has expired, you may still have recourse. Contact your local building inspector. You may need to hire an expert to determine what the problem is and how to fix it.

Before you hire a contractor, get a few estimates for the work and references from other customers. Beware of scare tactics such as "you must have this roof repaired immediately," especially if you haven't noticed any problems. If it's truly an emergency situation and you don't have time to shop around for the work, at least ask your state or local consumer protection agency if there are licensing or registration requirements that apply and check to confirm that the contractor you're considering has met them.

Home Solicitations

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 rights and where to report violations at http://consumerfed.org/consumer_info/understanding-your-telemarketing-rights/.

Ask your state or local consumer protection agency if door-to-doors sellers must be licensed or registered in your jurisdiction. If the answer is yes, when salespeople unexpectedly appear at your door, demand to see proof that they have complied, and report them to the proper authorities if they haven't. If they claim to be from a company that you already do business with, leave them on your doorstep while you call the company directly to check.

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 else 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.

The federal Telemarketing Sales Rule requires telemarketers to tell you who they represent, that they are calling to try to sell you something, and, if they are offering the chance to win a prize, that it's not necessary to make a purchase and that doing so will not increase your chances of winning. There may also be requirements for telemarketers under your state law. Don't let yourself be talked into buying something that you don't really want. If you believe that you were misled by a telemarketer, contact your state or local consumer protection agency.

You can put your phone number (including cell phone) on the national Do Not Call registry to reduce the number of sales calls you receive, but there is no government-run Do Not Mail registry. Most legitimate companies, however, will respect your request to stop sending you their offers. There are also services

provided by industry associations and credit bureaus to remove you from mailing lists for free or very low cost. Learn more about stopping unwanted mail, email, and telemarketing solicitations at www.consumer.ftc.gov/articles/0262-stopping-unsolicited-mail-phone-calls-and-email.

Household Goods

When you buy an appliance, keep advertisements, receipts, the warranties, and any other documentation that you have in case there are questions later about what you were led to expect. Using a credit card is the best way to pay for a major purchase because you have the right to dispute the charges if the item was never delivered or it doesn't conform to the claims that the seller made about it.

Manufacturers don't have to provide warranties, but most do, especially for expensive items, because they want consumers to know that they stand behind their products. If there is a warranty, you have the right to see it before you make the purchase, no matter whether you're shopping in a store, in a catalog, or on the Internet. Warranties vary in terms of how long they are, what they cover, and what you have to do to get repairs or a replacement. In addition to written warranties, you have "implied warranty rights" to expect that something is going to work as you would reasonably expect it to. To learn more about warranties go to www.consumer.ftc.gov/articles/0252-warranties.

The U.S. Consumer Product Safety Commission has launched a campaign to educate the public about the dangers of furniture tip-overs and how to prevent them. Simple steps such as anchoring televisions to the wall, securing top-heavy furniture, and removing toys and other items from on top of furniture so children won't be tempted to climb to reach them can save lives. For more information go to www.cpsc.gov/en/safety-education/safety-education-centers/tipover-information-center/.

Identity Theft

Notice something that looks odd on a gas pump or an ATM? It could be a skimming device that identity thieves have attached to steal your account numbers. Report your suspicions immediately to the gas station or financial institution and use a different machine. If you find an unauthorized charge or debit on your account, tell your financial institution immediately.

Don't wait until April 15th to file your income taxes – do it as early as possible so that if you discover that you're a tax ID theft victim you'll be able to start the process of resolving the problem. The IRS is working with law enforcement agencies and tax preparation services to detect and prevent tax ID theft and help victims. More information is at www.irs.gov/individuals/identity-protection. Be aware that if your Social Security number is being used to steal your tax refund, it's possible that it's being used for other fraudulent purposes as well. You'll find a complete guide to what to do if you're an ID theft victim at <https://identitytheft.gov/>.

Internet Sales

If you're considering buying a car that is advertised on the Internet take care, especially if the seller is far away. It is well-worth paying a local mechanic to inspect it and getting the vehicle's history before you commit to the purchase and the expense of having it shipped. If you have problems after you buy the car you may find that it's difficult to resolve them unless the seller is willing to cooperate.

It's so easy to find and purchase products and services online that we sometimes fail to focus on the terms and conditions. Pay attention to important information such as whether there will be ongoing

charges unless you notify the company that you want to cancel. These are commonly found in offers of “free” products and various types of membership programs. If the terms weren’t made clear or were deeply buried in the fine print, report the problem to your state or local consumer protection agency. You may also be able to dispute the charges on your debit or credit card if they weren’t clearly disclosed.

Investments

When you donate to someone who is creating a new product or launching a new business there is no guaranty that you’ll get what you were promised in return. 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. See more about crowdfunding at www.ag.ny.gov/press-release/ag-schneiderman-offers-tips-new-yorkers-using-crowdfunding-websites-make-donations and www.consumerreports.org/cro/money/crowdfunding-scam.

Landlord/Tenant

Many states require landlords to ensure that their rental property meets certain safety and health standards. Your lease may also state that the landlord will keep the property in good condition. If you call your landlord about a problem, follow up with a letter and keep a copy so you’ll have a record of when you provided notice. The time limits for landlords to make repairs sometimes depend on the severity of the problems. Your state or local consumer protection agency can give you information about your rights and how to enforce them if the landlord doesn’t cooperate.

If there is a lease, be sure to read it before signing and get a copy so you’ll know what you can and cannot do on the property.

Retail

As a general rule, advertising should be truthful and not deceptive, and any information that is important to a consumer’s decision whether to buy or use a product – such as the fact that it is used – should be clearly disclosed.

Counterfeiting is not just a problem for the manufacturers whose brands are being faked; it’s a problem for consumers as well. Counterfeit goods are often poor quality and in some cases, such as with car parts and medicines, they can be downright dangerous. Another reason to be concerned about counterfeit goods is that they are often supplied by organized crime rings, so buying them puts money in the pockets of crooks. Learn more about counterfeits and how to report them at www.stopfakes.gov.

Pay attention when you’re using coupons at the store to make sure that the items ring up at the discounted prices. If there are any problems, politely ask to speak with the manager.

Services

Some scammers take advantage of ethnic, religious or other kinds of relationships to gain people’s trust and swindle them. Because of the insular nature of some groups, these “affinity” crimes often go unreported. If you know or suspect that a criminal is targeting people in your community, contact your state or local consumer protection agency and the police.

Handling the arrangements after a death can be stressful, but just as with other major purchases, 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 on time. Don't pay the full amount before everything you were promised has been done.

Paying for funeral expenses in advance is a good idea. It ensures that the arrangements that will be needed are covered and locks in the price. But it may also lock you into services without the ability to change them later. Read the contract carefully and ask questions so you're sure you understand the terms. Learn more at www.consumer.ftc.gov/articles/0305-planning-your-own-funeral.

When you're considering any kind of services, whether it's tattooing or tailoring, be sure to ask what the total price will be before you agree to purchase them.

Never pay the full amount for services until you have actually received them. Get the date that the services will be performed or delivered in writing, and if the deadline hasn't been met and the business won't respond to you, ask your state or local consumer protection agency for help.

If a business that has items that belong 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. Contact your state or local consumer protection agency if you can't find the person or retrieve the items.

Before you agree to services such as tree trimming, get a few estimates and references from previous customers. Ask your state or local consumer protection agency whether there are any licensing or registration requirements for that type of work. And beware of anyone who comes to your door uninvited and insists that you have the work done right away – that may just be a ruse to prevent you from comparing prices or getting another opinion about whether the work is really necessary.

Timeshares

Timeshare companies often use long, high-pressure sales pitches and the lure of "prizes" that aren't really free or worth the amount they claim in order to convince you to sign a contract on the spot. Don't be pressured into buying a timeshare. Consider how the cost compares to staying in other types of accommodations when you go on vacation and whether the dates and locations work for you. Learn more about timeshares at www.consumer.ftc.gov/articles/0073-timeshares-and-vacation-plans.

Own a timeshare you don't want? Avoid companies that ask for their fees upfront regardless of whether they succeed in selling your timeshare or not, and don't believe them if they claim that they have eager buyers waiting. Consult with a licensed real estate broker or agent who can tell you if there is a market for your timeshare and will only take a fee if it's actually sold. For more information about timeshare resale scams go to www.consumer.ftc.gov/blog/timeshare-resellers-quick-money-promises.

Towing

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

Travel

The safest way to pay for travel services is by credit card because you can dispute the charges if the services were never provided. Legitimate travel companies won't ask you to pay using money transfer services or prepaid cards.

Read contracts for travel services carefully before you pay. There may be restrictions on your ability to change or cancel your plans. Travel insurance may be helpful but the same advice applies: read the terms

to understand the coverage and any limitations.

Utilities

If you want to cancel your cable or Internet service, ask the company for instructions. Get a receipt for any equipment you returned and if you are billed in error, call right away to try to resolve the problem.

When you change your calling plan, you should receive confirmation. Keep that information and if there is any problems with your next bill, contact customer service. Make a note of the date you called, who you spoke with, and what you were told, and if you don't succeed in resolving the problem, ask your state or local consumer protection agency for advice.

Don't just rely on what the salesperson says; get the details of your wireless plan in writing, including how much the service will cost, what features are included, and the cancellation policy. If you do cancel, note the date in case there are any questions or billing issues later.

With the option to choose your electricity and natural gas suppliers, 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 directly to confirm. Ask your state or local consumer protection agency if there are rules that gas or electric suppliers must follow and how to make a complaint about violations.

Generally, utility companies should be responsible for fixing any damage that they cause to your property in the course of their work. Get a written estimate for the repair and search for a local business office of the company to ask how to make a claim. If you can't resolve the problem, contact your state or local consumer protection agency.