



Consumer Federation of America

**2017 Consumer Complaint Survey Report
July 30, 2018**

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Consumer Federation of America

2017 Consumer Complaint Survey Report

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Introduction

Consumer Federation of America¹ conducts an annual survey of city, county and state consumer agencies across the country to ask about the complaints that they received in the previous year. These agencies deal with a broad range of issues, from auto sales and repairs to travel and timeshares. This year forty agencies from twenty-three states participated in the survey. Their responses provide insight into the most common, fastest-growing, and worst consumer complaints, as well as new problems that consumers reported to them.

Unlike most federal agencies, state and local consumer agencies usually attempt to resolve individual complaints. Many of these agencies also have the ability to take administrative, civil and/or criminal action to stop illegal practices and obtain restitution for consumers. The “real world complaints” in this report illustrate the wide variety of problems that consumers encounter and what state and local consumer agencies do to address them, from informal mediation to major enforcement actions.

Another important mission for these agencies is educating consumers about how to navigate the marketplace wisely and safely. They also reach out to businesses to help them understand their responsibilities and make them aware of scams that may target them.

CFA made some significant improvements to the survey this year. It created a new category, “communications,” for complaints about telephone and internet service, which were previously bundled into “utilities.” Complaints about gas, electric, water and cable service remain in that category. Two changes to the survey questions yielded more concrete and useful information: instead of asking what new laws are needed to better protect consumers, CFA asked what new consumer protections had been enacted in agencies’ jurisdictions last year; and rather than asking a general question about agencies’ biggest achievements, CFA specifically asked them to describe their greatest achievements in resolving a consumer problem or issue, improving their internal operations, and undertaking public outreach.

Finally, CFA eliminated the question about the agencies’ biggest challenges, since the answers were always the same: keeping up with the demand for their services; changes in the marketplace; the evolving nature of fraud; and reaching an increasingly diverse population. When asked how they met those challenges, agencies typically cited cross-training staff, using volunteers, automating operations, using new media platforms, and working in partnership with other agencies and community groups.

State and local consumer agencies are the backbone of consumer protection in the United States. As this report shows, they deserve our thanks and public support to continue to carry out their vital work.

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

Key Findings

- **Thirty-eight agencies that provided their complaint numbers collectively handled 908,595 complaints last year.**
- **The total amount that thirty-eight agencies recovered and saved for consumers through mediation, lawsuits and other actions was \$2,011,152,631.**
- **Auto-related problems and home improvement and construction continue to top the list of most commonly reported complaints.** These transactions often involve significant amounts of money, but the financial loss is not the only issue. Many consumers rely on their cars for transportation and are greatly inconvenienced when they break down, can't be driven because of difficulty obtaining the titles, or have other issues. Home improvement and construction problems can also cause tremendous hardships for consumers, even homelessness.
- **Fraud was one of the top three worst and fastest-growing complaints last year.** Fraud can have a devastating financial impact on victims, especially when older people lose their life savings to scammers. For people of all ages, however, even a relatively small fraud loss can have a major effect on their finances. Some individuals are drawn into being "money mules," accepting victims' payments to fraudsters without understanding their potential liability.
- **Sales of solar energy, which we flagged as an emerging issue in our last report, continue to generate complaints about misleading claims, lack of disclosures and faulty installations.** These complaints now include sales of community solar power as well as individual solar systems. States have begun to enact laws to address solar sales problems.
- **Alarm system sales are raising concerns.** As with solar energy, these transactions are often initiated by telemarketing, direct mail, or salespeople going door-to-door. The complaints involve the use of scare tactics and misleading claims, lack of full disclosure about the costs and terms of the transactions, failure to provide notice of consumers' cancellation rights, and locking consumers into long-term, automatically renewing contracts.
- **Using electronic devices to obtain consumers' signatures on contracts was noted as a practice that may generate an increasing number of complaints in the future.** The problems include consumers not being given the opportunity to scroll through the contracts in order to see the terms and conditions and not being provided with their own copies.
- **State and local consumer agencies are constantly dealing with new types of consumer problems.** Last year these ranged from complaints about title pawn companies to landlords evicting elderly tenants because of hoarding. Some new problems that are being reported to consumer agencies are beyond their scope; for instance, individuals seeking help after they have been robbed by someone they arranged to meet through an app to sell or buy an item.
- **Consumer agencies are increasingly using new technology to improve their operations.** This includes implementing online systems for complaint intake. Some systems can automatically route complaints to the appropriate divisions within an agency. They can help agencies track the status of complaints and manage enforcement activities. These technological innovations are helping state and local consumer agencies work more efficiently and effectively.
- **Examples of new consumer protections that states, counties and municipalities enacted last year illustrate the important role they play in policing the marketplace.** From combatting predatory financing in the used car industry to regulating timeshare resellers, these measures are aimed at curbing abuses and giving consumer agencies better enforcement tools.

Top Ten Complaints in 2017

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

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

This ranking reflects the complaints that were most frequently cited as the top ten complaints that state and local consumer agencies told us they received last year. Those agencies, which are listed in **Appendix A**, deal with a wide range of consumer issues. The survey is intended to provide insight into the problems that were most commonly reported to these types of agencies in 2017. It is not a random survey of consumers. Furthermore, CFA does not survey agencies that only handle one subject area, such as banking or insurance. See **Methodology** for further details.

Examples of the top ten and other complaints from the files of state and local consumer agencies that participated in the survey are in the **Real World Complaints** and **Greatest Achievements** sections of this report. 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 2017

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

- 1. Internet sales**
- 2. Fraud**
- 3. Utilities**

Examples of complaints about internet sales ran the gamut from an online company that took consumers' money for activities such as balloon rides and skydiving and failed to make the reservations or represented the locations as being near to consumers when they were much further away, to a website that offered custom decorations for weddings and other events and delivered them late, or not at all (see pages 36 to 39).

In fraud, complaints about imposter scams, many involving phony debts to the IRS or other agencies, continued to grow (see pages 21 to 24). Complaints about utilities also increased at some agencies (see page 52).

Other complaints that agencies mentioned as fastest-growing concerned towing (see page 49), landlord/tenant disputes (see pages 39 to 41), timeshares (see page 48), telephone and internet services (see page 16), auto repairs (see page 11), used car sales (see pages 12 to 14), high-pressure tactics to sell new cars to elderly consumers (see page 13), solicitations for extended warranties, medical billing problems, door-to-door sales, particularly for alarm systems (see page 31 to 32), and data breaches (see page 35).

Using electronic devices to obtain consumers' signatures on contracts was flagged as a practice that may generate an increasing number of complaints in the future. The problems include consumers not being given the opportunity to scroll through the contracts in order to see the terms and conditions and not being provided with their own copies (see example in alarm system sale, page 31).

Worst Complaints in 2017

CFA 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, or the sheer outrageousness of the situation. The top three worst complaints were:

- 1. Home Improvement/Construction**
- 2. Landlord/Tenant**
- 3. Fraud**

Home improvement and construction transactions often involve significant amounts of money, but the financial loss when something goes wrong is not the only issue. When the work is shoddy, incomplete, or never performed, the situation may make it untenable for consumers to continue to live in their homes. In the case of new construction, there may not be any home to live in at all (see pages 26 to 30).

Tenants may also find themselves unable to live comfortably in their homes if their landlords fail to take care of problems such as leaking roofs or rat infestations, or if they are suddenly informed that they have to move (see pages 39 to 41).

Fraud can have a devastating financial impact on victims, especially when older people lose their life

savings to scammers. For people lacking adequate savings, however, even a relatively small fraud loss can have a major effect on their finances. Some individuals are drawn into being “money mules,” accepting payments for fraudsters without understanding their potential liability (see page 22).

Other “worst complaints” were about an adoption agency that lost its accreditation (see page 45), immigration services (see page 47), credit and debt collection issues (see pages 17 to 21), used car sales (see pages 12 to 15), health services (see pages 25 to 26), crowdfunding (see page 39), door-to-door sales (see pages 30 to 32), taxi charges (see page 51), data breaches (see page 35), price gouging after a hurricane (see page 42), a cleaner that closed its doors with consumers’ garments inside (see page 42), a vocational school that went out of business in mid-semester (see page 44), and cemetery and funeral home services (see page 46).

New Consumer Problems in 2017

These complaints were new to some agencies last year and illustrate the wide range of problems for which consumers seek advice and assistance.

- Sales of solar systems and community solar power (see pages 31 to 32 and page 48).
- Hotel reservations consumers made to watch the solar eclipse not being honored (see page 51).
- Sports tickets derivatives (see page 42).
- Issues with the sharing economy (see page 47).
- Title pawns (see page 20).
- A shop trying to force a consumer to accept a used gun instead of the new one purchased (see page 42).
- Bedbugs in hotel and motel rooms.
- Phony utility collections (see page 23)
- Landlords evicting elderly tenants for hoarding.
- Consumers being tricked into leasing cars instead of buying them (see page 14).
- A jewelry store getting consumers drunk in order to make a sale (see page 43).
- New twists on tech support scams (see page 24) and claiming money scams (see page 23).
- Online gift card exchange issues (see page 38).
- Problems with a boat builder (see page 44).
- Medical billing disputes.
- Trash companies charging consumers who cancel their services fees for removing trash bins.
- Individuals being robbed by someone they arranged to meet through an app to sell or buy an item.
- Complaints about product defects that turn out to be tech issues.

Another new problem that was mentioned is that some consumers are wary about making complaints because of their immigration status. Consumer agencies do not check whether complainants are in the United States legally; nonetheless, fear of deportation may deter some people from coming forward about marketplace abuses.

New Consumer Protections in 2017

CFA asked agencies participating in the survey about new laws, regulations or ordinances that were enacted in their jurisdictions in 2017 to better protect consumers. While not a comprehensive list of all of the consumer-related legislation enacted last year in the United States, the following examples illustrate the wide range of consumer issues that are addressed by states, counties and cities across the country to protect their residents.

California

The Los Angeles County Board of Supervisors approved a new Office of Immigrant Affairs within the Department of Consumer and Business Affairs to advance the well-being of all immigrants within the county by providing them with and connecting them to a variety of support services.

Connecticut

A new state law requires all Homemaker Companion Agencies to carry a surety bond of \$10,000 in order to address problems of theft by home aides.

District of Columbia

The At-Risk Tenant Protection Clarifying Emergency Amendment act of 2016, which went into effect last year, helps to protect low-income renters and preserve affordable housing units. It clarifies the Attorney General's ability to hold landlords accountable for squalid conditions, lease violations, illegal fees and security deposit abuses, and helps the agency obtain restitution and penalties.

Florida

The state legislature enacted a law to set standards for ridesharing services and Transportation Network Companies such as Uber and Lyft. It establishes minimum insurance requirements, mandates thorough background screening for drivers, and includes consumer protection provisions. The new law replaces ordinances that varied from county to county.

After a number of deaths from drug overdoses at "recovery homes," a Grand Jury was empaneled by a circuit court in Florida to examine problems in the substance abuse treatment industry. It found harmful marketing practices such as using internet search terms to hijack the names of reputable providers and steer consumers to unrelated facilities. Referrals were often based on the size of fees rather than on the appropriateness of the treatment programs. In response, last year the legislature passed a bill requiring the Florida Department of Agriculture and Consumer Services to license and regulate the marketing arm of these facilities.

Kansas

Effective last year, Kansas made violating a restraining order issued against a door-to-door seller a felony, providing a stronger enforcement tool to combat scammers.

Maryland

To prohibit predatory payday lending, Maryland had capped interest rates on consumer loans at 33 percent and required that fees associated with the loans be included in calculating the annual percentage rate. But this did not apply to unsecured open-ended credit plans, a loophole that some

payday lenders began to exploit by structuring their products as open-ended lines of credit. Legislation was enacted last year to close that loophole.

In response to the significant number of data breaches that have occurred in the last few years, the Maryland legislature approved a bill to give residents the right to freeze their credit reports at no cost.

New York

Legislation enacted in New York City last year to combat predatory financing in the used car industry requires dealers to post a “Consumer Bill of Rights,” disclose certain information about car prices and financing terms, provide required disclosures to consumers in the language that was used to negotiate the sale, and allow consumers to cancel their contracts within two business days without penalty.

Spurred by the Equifax data breach, the New York State Department of State Division of Consumer Protection adopted Emergency Identity Theft Prevention and Mitigation Program Regulations. The credit reporting agencies must provide the division with specific contacts so that its staff can get consumers’ questions answered and their problems addressed quickly.

Oregon

Oregon enacted a bill last year that prohibits debt buyers from bringing any legal actions to collect from consumers when the statute of limitations has expired for collecting the debt or without having proper documentation, which includes information showing the original creditor’s name; a way to contact the debt buyer; the last four digits of the original credit’s account number; the date and the amount of the last payment to the original creditor; and an itemized list of charges and fees imposed on the account. It also requires debt buyers to provide receipts to consumers for each payment they make, to honor consumers’ demands for documents substantiating the debts within thirty days, and to stop all collection activities until they have fulfilled those requests.

South Carolina

To address misleading and deceptive practices, a new state law requires timeshare resellers to provide consumers with written contracts that include a complete description of their services, the length the contract, and the phone number and website of the South Carolina Department of Consumer Affairs. Consumers have the right to cancel timeshare resale contracts within five business days. Additionally, timeshare resellers cannot charge consumers upfront for an appraisal, though they charge in advance for marketing or advertising efforts. Any payments that consumers give to them must be held in escrow until they have completed the promised services. Furthermore, the agency has a range of enforcement powers, from warning notices and cease and desist orders to penalties and the ability to obtain consumer refunds.

Utah

The Utah legislature passed the Residential Solar Energy Disclosure Act which requires solar retailers to provide a written disclosure to consumers before they enter into a contract to buy or lease a solar system, or to buy power from a solar system. The disclosure must include key information including the basis on which estimates of savings are made, the obligations of the sellers and consumers, and the rights that consumers may have to cancel. Purchase and lease agreements must also provide information about the costs, warranties, transferability, and other details of the transactions.

Vermont

While not yet a law, last year the Vermont legislature directed the Secretary of State's Office of Professional Regulation to conduct a review of the home improvement industry and make recommendations for regulating it.

Virginia

The Fairfax County Department of Cable and Consumer Services revised two ordinances last year. One regarding Precious Metal and Gun Dealers and Pawnbrokers enables the agency to deny a permit if the dealer or pawnbroker has been convicted of any felony offense within a certain number of years; previously permits could only be denied for the crime of moral turpitude. It also establishes penalties for violations of laws that govern those businesses. The other clarifies basic safety inspection requirements for taxis and regulates their use of GPS meters, while allowing them more flexibility in the rates they charge in order to offer consumers safe, economical alternatives to Transportation Network Companies.

Real-World Complaints and What Consumers Should Do

Auto

Utah

A rural vehicle repair shop was fined \$15,000 after being found to have committed deceptive acts and practices in violation of laws enforced by the **Utah Division of Consumer Protection**. In one transaction, a shop employee approached an elderly traveler who stopped to purchase ice at the adjacent gas station. He warned the consumer that the tires on his RV were worn and unsafe and persuaded him to purchase two new tires. The shop misrepresented the price of the tires and charged the consumer more than \$500 above the amount that he was originally told the repairs would cost. It also failed to get his express authorization for the amount charged. In a second transaction, an employee of the same shop flagged down a consumer who was towing his trailer on the interstate. He told the consumer that the tires on his trailer were wobbling and might fall off, and directed him to drive back to the shop for inspection and repairs. Once there, he informed the consumer that the shock absorbers were defective and in dangerous condition, and offered to install four special-order, heavy-duty shock absorbers for the total cost of \$1,018.10. It was later determined that the shock absorbers, which retailed for \$29.79 each, were not heavy-duty. Furthermore, three of the four shock absorbers didn't need to be replaced at all. The Division ordered the shop to cease and desist from committing future violations and has since fined it an additional \$10,000 for two other transactions in which similar conduct and violations occurred. The shop is contesting both orders.

Only do business with auto repair shops that you know and trust or that have good reputations based on other people's experiences. If you have any doubts about the diagnosis of your car's problem, bring it to another shop for a second opinion. Stuck somewhere with no choice but to have the repairs made? Be sure to get an itemized bill and ask for the old parts back to show your own mechanic afterwards.

Louisiana

The fastest-growing complaints to the **Louisiana Attorney General's Office** last year stemmed from the historic flood in 2016. Among other things, the rising waters submerged vehicles, causing sales and repair problems. In one case, a woman left her 2005 Chrysler PT Cruiser at a garage in June of 2016 to fix a malfunctioning power window. Weeks went by and the shop owner had all sorts of excuses for the delay in getting the job done – he couldn't find the right parts, the vehicle wouldn't start, the keys were misplaced. Then the shop flooded on September 30th and the vehicle took on several inches of water. The woman was assured that the car was fine and the parts were coming, but time continued to pass. She filed a complaint, and the agency called the shop owner repeatedly. His response was always that the parts were on back order. In May 2017, however, the woman discovered that the shop owner was selling parts off of her vehicle to replace parts on other cars because there were no parts available for 2005 PT Cruisers. Confronted with this information, the shop owner agreed to pay the woman the value of the car, \$2,125, plus the \$751 she spent for insurance while it was in the shop.

Auto repairs may take longer than expected because the shop has trouble getting the right parts or the mechanic discovers that additional work is needed. Keep in touch with the shop and make notes about the dates of each conversation, who you talked to, and what was said. You may want to check with parts suppliers, the car manufacturer or another repair shop to ask if what you are being told makes sense. If you think that you're being strung along, ask your state or local consumer agency for help.

New York

Used car sales were the fastest growing complaints to the **NYC Department of Consumer Affairs** last year. In one example that the agency provided, a consumer asked for help after finding that the contract for a used Toyota Highlander contained charges for several add-ons that were unwanted and had gone unnoticed in the flurry of paperwork that was presented for signing at the time of purchase. The agency mediated a refund of \$5,392, which was sent directly to the bank that owned the installment contract as payment towards the consumer's balance.

When you're buying a car, read the contract and any financing agreement carefully to make sure you understand the terms and cost of the deal. If there are charges for options that you never agreed to and don't want, tell the dealer to remove them or you'll walk away.

Ohio

The worst complaint made to the **Summit County Office of Consumer Affairs** last year was from an out-of-state person who purchased a used BMW, sight-unseen, from Dave Walters BMW in Akron for \$20,000. The car was delivered to a BMW dealer in the buyer's area. As the consumer drove it home, the engine seized up. The car was towed back to the local dealer, where it was determined that it needed a new engine and other repairs that would cost nearly as much as the purchase price. Since the vehicle was purchased without a warranty, the dealer who sold it disclaimed responsibility for the repairs. The agency's investigation, however, revealed that the car was a "buy back" vehicle, the fact of which must be disclosed and was not. The dealer agreed to cover the cost of the repairs.

It can be risky to buy a used car sight-unseen. Before you commit, check the vehicle out in person and arrange to bring it to a mechanic you trust to give it a thorough inspection.

Massachusetts

A complaint against an internet auto broker was the worst problem reported to the **Consumer Assistance Office – Metro West** in 2017. These auto brokers may have a physical address, but they don't have car lots. They typically take deposits to find a car that meets the consumer's specifications within a certain time frame, and promise to return the money if they don't. In this complaint, the consumer saw a car that he liked on Facebook and contacted the seller. He was told that the car was no longer available but the seller identified himself as an auto broker and offered to go to the car auction to find a similar vehicle for him. The consumer agreed and met the auto broker in a shopping center parking lot, where he signed an agreement and gave the auto broker a deposit. The auto broker went to the auction and texted back and forth with the consumer about the features of various cars. After being assured that one car had the features he wanted, the consumer gave the OK for the auto broker to buy it. The car was delivered near to where the consumer worked. He wasn't happy with the car, contending that the auto broker had misrepresented some of the features. But the auto broker refused to refund his deposit, arguing that consumer had approved the purchase. Since he couldn't afford to lose the deposit, the consumer paid the balance due. When he brought the car for inspection, however, significant mechanical problems were found. He asked for a refund; the auto broker didn't respond. The consumer looked at the paperwork and saw that a different name, not the auto broker's, was listed as the seller. Despite the consumer agency's efforts, the problem could not be resolved. The auto broker was not a licensed dealer; he used the license of an auto dealer, whose name appeared as the seller on the paperwork, to buy the car at the auction. The auto dealer only sold on the internet; he had no car lot and no inventory, and denied any knowledge of the transaction. The relationship between auto dealer and the auto broker had soured and neither of them had the money to give the consumer a refund. Both offered to have the car fixed, but at that point the consumer didn't trust them, nor would repairs

address the issues with the car's features. To top it off, the consumer did not live in Massachusetts, so he was not eligible to take advantage of the state used car lemon law and the arbitration that it provides. The unhappy consumer was advised to consult with an attorney.

Buying a used car that you haven't seen in person and had checked out is risky enough – buying it in another state is even riskier. Depending on the circumstances, the transaction may not be covered by the laws in your state or the state where the seller is located, and it may be impractical and costly to take legal action. Ask your state or local consumer agency for advice before you make the purchase.

South Carolina

While used cars sales have long been a top complaint to the **South Carolina Department of Consumer Affairs**, the agency noticed an uptick last year in complaints about high-pressure and misleading tactics to sell new cars to elderly consumers. For example, a 72 year-old woman claimed that she was pressured at a local dealership to buy a new car that she could not afford. When she returned the next day to ask if she could cancel the purchase, she was ordered off the property and threatened that the police would be called if she came back. The agency convinced the dealer to unwind the \$15,000 contract and return the woman's trade-in. In another complaint, an older couple bought a vehicle that was represented as new for more than \$44,000, only to discover a week later that the transmission had been replaced just days before they purchased it. The dealer was uncooperative and the manufacturer disclaimed any responsibility. Once the agency got involved, the dealer agreed to buy the vehicle back.

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

Arkansas

When the niece of a woman who had been hospitalized and was experiencing early stages of dementia learned that her aunt had been talked into giving a car salesman her debit card information and that payments for an extended auto warranty were now coming out of the bank account, she sprang into action. She cancelled the debit card and lodged a complaint on her aunt's behalf with the **Arkansas Attorney General's Office**. The agency found that three companies working together had been bombarding the woman with solicitations for auto-related services. The warranty contract was cancelled and the \$2,840 that was debited from her account was refunded.

Extended warranties aren't usually worth the additional cost and don't provide much more protection than you already have under the car warranty and your insurance coverage.

Massachusetts

The **Massachusetts Attorney General's Office** also provided an example of an auto dealer taking advantage of an older person. In this case it was a 79 year-old man on a fixed income who was undergoing evaluation for Alzheimer's. The lease was up on his vehicle and the dealer convinced him to buy a car for well over its value, plus add-ons, for a total of \$22,000. His children filed the complaint, explaining that because of his condition he could no longer drive and that the \$400 monthly car payment was more than a third of his Social Security income. Unable to afford the payments, he had voluntarily surrendered the car and the finance company was pursuing him for the outstanding deficiency of \$9,508. The consumer specialist handling the complaint reviewed the original paperwork and determined that the finance company could not have verified the man's income because there were incorrect entries on the loan application. Furthermore, it would not have provided the loan if his ability to pay it had been properly assessed. When the agency brought these issues to the finance company's attention, it agreed to waive the deficiency and correct the consumer's credit report.

Whether you're buying a car or leasing it, read the contract carefully to make sure you know what you're getting and how much you're paying. Don't be rushed or pressured, ask questions, and if there is anything you still don't understand, show the paperwork to someone you trust before you sign.

New York

In May 2017 the **NYC Department of Consumer Affairs** brought legal action against multiple used car dealerships in Brooklyn, all under the same ownership, and the owners for misleading consumers about the price and safety of cars they sold and failing to disclose the financing terms. The dealerships even refused to give consumers copies of their sales documents for weeks after the purchases to conceal the actual prices and high interest rates they were charged. For instance, one consumer was quoted a price of \$8,000 for a 2004 Nissan Pathfinder Armada only to discover later that the dealer had surreptitiously written a price of \$12,999 on the finance agreement and charged her an additional \$1,730 for an extended service plan that she had already expressly declined. Another consumer saw an ad that one of the dealerships placed online offering a 2007 Volvo XC90 for \$6,900. Before going to see it she called the dealer to make sure that it was still available. When she got there, the salesperson informed her that the price was \$12,900. She agreed to buy it and failed to notice as she was rushed through the paperwork (which the dealer neglected to give her a copy of) that the price had been upped once again, to \$14,500, more than twice the price that was originally advertised. The settlement in this case resulted in \$400,000 in restitution for consumers.

When you're financing a car through the dealer, don't just focus on the amount of the monthly payments. Look through all of the paperwork to confirm that the price of the vehicle is correct, the interest rate is what you were told it would be, and the total cost is what you were led to expect.

Maryland

The **Maryland Attorney General's Office** received a new type of auto complaint last year from consumers who thought they were buying a car only to learn that they were leasing. In one case, the consumer signed a purchase agreement and brought the car home, but the dealer asked him to come back because there was better financing available. The salesperson had the new paperwork mostly covered up, with just the area to sign showing, so the consumer could not read it. He assumed that it was just an agreement for a lower monthly payment. In fact, it was a lease. By the time he contacted the agency, unfortunately, he had already tried to sue the dealer and the court dismissed the case on the grounds that he could have refused to sign the contract if he couldn't read it.

There are big differences between leasing and buying a car. While the monthly payments for leasing may be lower than the payments on a car loan, the total cost of the lease may be higher. Leases often limit how many miles you can put on the car; if you go over you will pay a penalty. You may also be required to maintain the vehicle in good condition, and if there is excess wear and tear when you turn it in, you'll be charged for it. Be sure you know if the contract is for a purchase or lease before you sign it. For the pros and cons of leasing see www.consumerreports.org/buying-a-car/pros-and-cons-of-car-leasing/.

Vermont

Last spring consumers began to contact the **Vermont Attorney General's Office** about a car dealership that had gone out of business. The company that the dealer used to finance customers' loans was no longer taking payments and another finance company was now demanding the money. However, that company could not provide the consumers with any proof that it held the liens on their cars. Instead, it asked them to fill out a form which requested personal information for what appeared to be a new payment agreement. Under Vermont law, finance companies must be licensed by the state. Since the

company was unlicensed, it was ordered to cease and desist attempting to collect any payments until it met the state requirements.

Be careful if you're suddenly asked to make changes to an auto loan agreement or to sign an agreement with a new lender. Ask your state or local consumer agency about any legal requirements and protections that may apply to the situation.

Georgia

Another financing problem that car buyers may encounter is when dealers fail to pay off the loans on their trade-ins, leaving them liable for two loans. This was one of the issues that led the **Georgia Department of Law's Consumer Protection Unit** to sue The Momentum Group, Inc., which operates two dealerships, Gwinnett Mitsubishi and Gwinnett Suzuki, last year. The defendants are also accused of failing to apply for titles in car purchasers' names within the 30 days required by state law, selling vehicles without the Emissions Certificates that are required in order to register cars in 13 Georgia counties, and taking payments from consumers for third-party products such as extended service contracts but failing to turn the money over to those parties, causing consumers' claims to be denied. The office is seeking restitution for consumers, civil penalties and recovery of court costs, as well as a permanent injunction to prevent the defendants from violating state law in the future.

Thinking about trading in a car that you still owe money on? Since it's almost always cheaper to repair a car than to replace it, you might be better off financially if you wait until you can pay off your existing car loan before you buy another vehicle. But if you can't delay because of safety issues, a growing family or other reasons, get the dealer's promise to pay off the loan on your trade-in in writing and follow-up with your lien holder within 30 days of signing the contract to confirm that the promise has been kept. If it hasn't, your state or local consumer protection agency may be able to assist you.

Maryland

Sometimes consumers are caught between the manufacturer and the dealer when they have problems with car purchases. A Maryland mother of four went shopping for a van and told the dealer that it needed to have five passenger seats to accommodate her husband and children, one of whom uses a booster seat. After buying the van, she read the owner's manual which said that the third row of passenger seats is unsafe to transport anyone taller than 5'3" or anyone in a booster seat. In her case, this eliminated the possibility that anyone in the family could sit in that row. She complained to the dealer, which contacted the manufacturer. The manufacturer insisted that because the owner's manual explains the seating information, the vehicle was not defective and it had no obligation to replace it. When the **Maryland Attorney General's Office** got involved, the manufacturer agreed to take the van back at full price and place the family in a different vehicle that better suited its needs.

If you're looking for a car that fits very specific needs, do your own research rather than relying on what the dealer tells you. Look online to see if you can find the owner's manual for the make and model you're considering. The auto manufacturer may also be able to answer your questions.

Charities

Florida

The **Florida Department of Agriculture and Consumer Services** filed suit against Dade City's Wild Things and three of its corporate officers for illicit fundraising and other financial issues. The zoo and a related

entity, Stearns Zoological Rescue and Rehab Center, Inc. solicited contributions for the purpose of caring for animals at the zoo and broader conservation efforts. Nonprofit funds, however, were routinely transferred to a for-profit entity, Stearns Peat C Inc. Furthermore, the agency's investigation revealed that corporate officers and directors received compensation despite the fact that their official filings with the agency said that those people were not compensated, that the defendants falsely stated that contributions were tax-deductible when their tax-exempt status had been revoked years before, that they continued to solicit contributions without being registered with the agency and despite receiving a cease and desist order, and that they violated other requirements of state law. The case is still pending.

Many states require charities to register and provide information about their operations. If you have questions about a charity's fundraising activities or you suspect that there may be wrongdoing, contact the appropriate agency in your state. The National Association of State Charity Officials provides a list of charity regulators and other information at www.nasconet.org/resources/.

Communications

Arkansas

A woman complained to the **Arkansas Attorney General's Office** that she had signed up for an international wireless plan because she was going on a cruise and wanted to be able to use her mobile phone as inexpensively as possible, but after returning from the trip she received a bill for more than \$3,000. The agency negotiated an agreement with the carrier to place the consumer on a more economical plan and give her a credit for the overcharges.

Looking for the most economical wireless plan to use when you're traveling? The choices can be confusing. Look for information on your mobile phone company's website about the options that it offers and call or chat online with a customer service representative to make sure that you understand what countries are included in the plans, what the charges are, and whether there are limits on the number of minutes, times of day or other factors that affect the cost. There are also calling apps that advertise low international rates, with no contracts. Read the terms very carefully before downloading them.

New York

A man's phone and internet was knocked out when Verizon accidentally cut the line while working on a neighbor's system. Not only was he unable to make or receive any phone calls, but he had to temporarily close his home business because he had no internet service. He called Verizon for twelve days straight but no one showed up to fix the line. In despair, he complained to the **New York State Department of State Division of Consumer Protection**. The agency contacted the company's Customer Service Escalation Team and was able to get his line repaired within 24 hours.

Phone or internet not working? Being without these vital services can cause real hardship for consumers and businesses. Contact your service provider, keeping a record of the date and who you spoke with. If the problem persists and you can't get it fixed, your state or local consumer agency may be able to help.

Arkansas

Dozens of consumers complained last year to the **Arkansas Attorney General's Office** about getting lower bandwidth from an internet service provider than it touts in its advertisements. While the company contends that it is a network exhaust issue and has provided \$10 credits to the complainants, the problem persists and the agency is continuing to look into it.

When you see offers for internet service, read the fine print. There may be limitations or exceptions concerning the speeds or other features of the service. If you have a choice of internet service providers in your area, check online review sites to see if there is information that you may want to consider in making the decision which one to sign up with.

Credit/Debt

Massachusetts

A cash-strapped woman found a short-term loan for \$2,000 online. With a 392.58 annual percentage rate, the interest on the loan was more than \$6,300. By the time she'd paid \$2,240, the woman still had 19 payments of \$320 per month to go and was struggling to make them. She asked the **Massachusetts Attorney General's Office** for help. When the agency contacted the lender, it claimed to have Tribal immunity but agreed to forgive the rest of the loan.

Payday loans are very expensive and can trap you in a never ending cycle of debt. Be sure you understand how the loan works, how much it costs, and if that kind of loan is legal where you live. Even if the lender only operates online, the laws in your state apply. For more information about payday loans go to <https://www.consumerfinance.gov/ask-cfpb/category-payday-loans/other-payday-questions/>.

District of Columbia

Tribal immunity was also invoked by a loan company that the **District of Columbia Attorney's Office** sued last year for charging interest rates of 80 to 169 percent, well over the 24 percent allowed under District law. The company claimed that it was just a "servicer" and the loans were actually made by a Native American tribe, but the Superior Court rejected that argument and the company ultimately provided nearly \$3 million in refunds and debt forgiveness to the affected consumers. It also paid \$100,000 in penalties and costs, asked the credit bureaus to remove any entries in consumers' reports related to the loans, and agreed to cease operating in the District until it had the required license.

Need money for an unexpected expense? Ask your bank or credit union if you qualify for a small loan. To provide yourself with a financial cushion and be able to make major purchases in the future, set aside as much money as you can on a regular basis. Even small savings add up over time. Learn how to create and stick to a savings plan at <https://americasaves.org/for-savers/make-a-plan-how-to-save-money>.

North Carolina

The **Financial Fraud Section of the North Carolina Department of Justice's Consumer Protection Division** sued Florida-based debt collector Accelerated Receivables Management, Inc. ("ARM"), alleging ARM violated North Carolina law by engaging in unlicensed collection activity and other unfair and deceptive practices in attempting to collect on debts related to medical tests. The suit resulted in a consent judgment that permanently enjoins ARM from engaging in debt collection in North Carolina unless and until it obtains a N.C. collection agency permit. ARM must also permanently cease collections on existing N.C. consumer accounts, request removal of information sent to credit reporting agencies regarding N.C. consumers, and pay for reimbursement of the State's fees and costs.

Keep an eye out for collectors who refuse to provide their identity or the name of the entity on whose behalf they are collecting.

Arkansas

A woman paid an Arkansas-based company, The Credit Repair Firm, more than \$6,500 to help settle her debts and improve her credit rating. With little to show for it and now even further in debt, she filed a complaint with the **Arkansas Attorney General's Office**. The agency mediated a refund of \$5,420, which was transmitted directly to the woman's bank account, and the contract was canceled.

Many states limit fees for debt settlement services. While there is no federal fee cap, federal rules prohibit debt settlement and other for-profit debt relief services from charging fees until they've actually obtained a satisfactory solution for consumers. There are some exceptions; see information at www.ftc.gov/bcp/edu/pubs/consumer/credit/cre02.pdf.

Massachusetts

When a man fell behind on his federal student loan payments, he arranged for voluntary repayment through a legitimate rehabilitation program. The loan guarantor, however, began to garnish a significant portion of his wages, leaving him unable to afford to make the rehabilitation payments. The **Massachusetts Attorney General's Office** negotiated with the loan guarantor to reduce the garnishment to a nominal amount for the nine months remaining in the rehabilitation program, saving the man \$5,589, and to refund the amount that had already been garnished over the newly agreed-on limit, approximately \$900.

Taking out a student loan is a big financial commitment. Read the paperwork and ask questions if anything is not clear. You might want to consult with a lawyer or other trusted advisor to help you understand the terms of the loan and decide if it is suitable for your situation. For information from the Consumer Financial Protection Bureau about the choices you have to pay for college, go to <https://www.consumerfinance.gov/consumer-tools/student-loans/>.

Florida

With echoes of the mortgage crisis a decade ago, the tremendous amount of debt that students have amassed has inevitably led to student loan debt relief scams. As part of a coordinated federal-state civil enforcement crackdown against these abuses, the **Florida Attorney General's Office** filed a lawsuit jointly with the Federal Trade Commission against Student Aid Center, Inc. and its owners, Damien Alvarez and Ramino Fernandez-Moris. The agencies coordinated with the Washington Attorney General's Office and the District of Columbia Attorney General's Office, which filed lawsuits against the same defendants on the same day in their respective state courts. The Florida Attorney General's Office alleged the defendants took hundreds, in some cases thousands of dollars, from consumers in illegal fees with misleading claims that they were pre-approved or approved for student loan forgiveness. The Florida Attorney General's Office and the Federal Trade Commission obtained a Judgment and Order for Permanent Injunction and Other Equitable Relief as to Mr. Fernandez-Moris and a Final Judgment of Monetary Relief against him in the amount of \$35,332,438. The Florida Attorney General's Office and the Federal Trade Commission also obtained Final Judgments of Monetary Relief in the amount \$35,332,438 against Mr. Alvarez and Student Aid Center. The Florida Attorney General's Office also filed an action against The Student Loan Help Center for failure to comply with an investigative subpoena relating to accusations that the company misrepresented the amounts of student loan reductions that were available and failed to provide the debt relief it promised. In another case, the agency obtained a settlement with Debt Relief Pros, Inc., d/b/a Student Debt Relief and its owner, Christopher Wordell, to resolve allegations that they charged an illegal advance fee to provide services to individuals burdened with large student loan debt and misrepresented to these consumers their relationship with the Department of Education and the BBB, as well as their ability to lower consumers' monthly student loan

debt payment. The defendants are permanently barred from operating in Florida.

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

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

North Carolina

The **North Carolina Department of Justice's Consumer Protection Division** sued the Student Loan Group, a student loan debt relief scam. Student Loan Group claimed it could reduce a borrower's student loan debt, but instead illegally charged large upfront fees and failed to perform expert services. Thanks to this action, a judgment was entered which requires Student Loan Group to refund a total of \$377,048 to borrowers. It also prohibits the company from engaging in this type of activity in North Carolina going forward.

In some states it is illegal to charge upfront fees for debt relief services. Stay in touch with your lender for the best options on managing your student debt. Also, monitor your credit and understand the upsides and downsides of loan consolidation.

California

When an elderly man could not make his mortgage payments, he lost his home to foreclosure. The sale resulted in a surplus but the homeowner never received it. Having suffered several strokes that left him speech-impaired, and now in a nursing home, he was unable to deal with the problem himself. Fortunately, the **Los Angeles County Department Consumer and Business Affairs** came to rescue. The agency investigated and found a pro-bono legal service provider to take court action in order to recover the \$271,000 surplus to which the man was entitled.

Need help modifying your mortgage or avoiding foreclosure? For information about your options and assistance 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.

Florida

In 2014, state attorneys general across the country entered into a consent judgement with the mortgage servicer Ocwen to resolve problems with its practices. Complaints about the company continued to pour in, which, along with additional investigative information, indicated that the company might be violating the agreement. Last year the **Florida Attorney General's Office** and the state financial regulator filed a federal lawsuit against Ocwen Financial Corporation of West Palm Beach and various subsidiaries for alleged mortgage servicing misconduct, including mishandling loan modifications, misapplying mortgage payments, failing to pay insurance premiums from escrow, collecting excessive fees, and filing illegal foreclosures. The litigation is ongoing.

The National Mortgage Settlement offers relief to certain consumers, including principal reductions, refinancing and payments to those who lost their homes to foreclosure. For information about who is

eligible and what assistance is available go to www.nationalmortgage-settlement.com.

Massachusetts

The worst complaint to the **Cape Cod Consumer Assistance Council** last year began when an 80 year-old man's loan application to buy a new car was rejected. It turned out that his stellar credit score had plummeted when he fell ill while traveling abroad and was hospitalized in a foreign hospital for several months, preventing him from managing his affairs. The consumer office helped him clear up the credit issues and worked with the credit reporting agencies to restore his credit score.

Monitor your credit record so you won't be surprised by information that could affect your credit score and prevent you from getting a loan. You can request your credit report from each of the three major credit reporting agencies for free once every twelve months. Go to www.annualcreditreport.com or call 877-322-8228. In some states, you may have the right to additional free credit reports.

Ohio

An unwanted car loan was at the heart of the worst complaint that the **Cuyahoga County Ohio Department of Consumer Affairs** received last year. A restaurant owner who does not speak English well had gone to a dealership with an employee to help him buy a vehicle. He thought the paperwork that he was signing was to verify the employee's income. Instead, he unwittingly co-signed the car loan. The employee subsequently quit his job and eventually stopped making payments on the vehicle, which was repossessed. Two years later, the restaurant owner learned that he was on the hook for the loan when he received a dunning notice. Though the car dealer, who had arranged for the financing, and the lender insisted that the restaurant owner knew what he was agreeing to, that was hard to believe since the agency had to use interpreters just to get the man's story. He has now hired an attorney to combat the collection efforts.

When you co-sign a loan, you're not just vouching for someone's character or reliability, you're taking responsibility to pay the entire debt. Learn more about co-signing an auto loan from the Consumer Financial Protection Bureau at <https://www.consumerfinance.gov/ask-cfpb/i-was-asked-to-co-sign-financing-for-a-car-what-am-i-being-asked-to-do-and-what-does-this-mean-for-me-en-813/>.

Massachusetts

The **Massachusetts Attorney General's Office** obtained a judgement last year against Online Auto Title Lender, Liquidation, LLC to stop egregious practices and provide relief to consumers who were lured through ads on the internet into obtaining loans using their car titles as collateral. The company was not licensed to make loans in Massachusetts and failed to provide borrowers with copies of their agreements or to disclose key information such as the high interest rates that it charged, the final lump sum payments that would be due, and the requirement to mediate disputes in New Zealand. It was also accused of unlawfully repossessing consumers' cars. Working with the state Registry of Motor Vehicles, the agency assisted more than 200 people in obtaining clear titles to their vehicles and halting repossession or collection activity.

Title loans, like payday loans and other short-term loans, are very expensive, and you could lose your car if you don't make your payments.

Georgia

Complaints about title pawn companies were new to the **Georgia Department of Law's Consumer Protection Unit** last year. Under Georgia law, these transactions are not actually considered loans; when consumers pawn their cars and fail to redeem them, the title pawn companies' only legal recourse is to

take possession of the vehicles. First American Title Lending of Georgia, LLC, however, was treating these transactions as loans, suing consumers who defaulted on the payments for principal, interest and fees. Furthermore, the company allegedly threatened consumers with arrest warrants, which it lacked the authority to issue. In addition, it described the transactions as loans in its advertisements when it should have used the word “pawn” instead. In a settlement with the company, the Consumer Protection Unit obtained \$196,573 in restitution for consumers plus \$25,000 for penalties and fees. The consumers got their car titles back and all suits that were pending against them were dismissed. The company agreed not to engage in deceptive practices and threaten actions against consumers that it cannot take, and to clearly represent the transactions as pawns, not loans. If it violates any terms of the settlement between now and December 1, 2020, it must pay \$65,000 in penalties.

Pawning the title to your car is an expensive and risky way to borrow money. If you don't pay the money back when it's due, your car could be snatched away from you. So you could lose what you've invested in your vehicle plus your means of transportation.

Employment

California

Among other duties, the **Los Angeles County Department of Consumer and Business Affairs** investigates complaints about wage theft – employees not being paid what they are owed. Last year there were numerous wage theft problems in the security and janitorial industries. In one example, a company that sent janitors to various locations failed to pay them the minimum wage for Los Angeles County, which is higher than the state minimum wage, when they performed work in the county, and also neglected to pay for their travel time. Initially the company claimed that the consumer agency had no jurisdiction. After being presented with a thorough audit that the agency conducted, however, the company entered into a settlement to pay the back wages as well as penalties.

Workers are legally entitled to get the wages they are owed. If you believe that you are being shortchanged by your employer, don't be afraid to stand up for your rights. Ask your state or local consumer protection agency where to go for help.

Fraud

Ohio

A local resident asked the **Cuyahoga County Department of Consumer Affairs** for help convincing a relative, a young man with learning challenges, that his internet bride was actually a scammer. The person with whom he had struck up an online correspondence claimed to be an American who was working abroad and had been stranded by her boss on a research trip to Africa. She (or he) said that she was working odd jobs in order to make enough money for the airfare back to the US. The man had started to wire small amounts of money to his correspondent and referred to her as his “wife,” even though they had never met in person, let alone been married. An investigator from the agency sat down with the man to explain how romance scams work and how closely his experience mirrored the red flags of such scams. He agreed to end the relationship and stop sending money.

Online dating sites, social media sites and other forums on the internet make it possible to meet people from all over the world. But they're also places where scammers lurk, waiting for someone to come along

who wants to be friends – or maybe something more – and building a fake relationship with the person until the time is ripe to ask for money. Once you’ve sent the cash, you can kiss your “sweetie” goodbye. More information about these scams is at http://www.fraud.org/sweetheart_swindles.

Utah

The worst complaint to the **Utah Division of Consumer Protection** last year was from an elderly widow in Utah who sent tens of thousands of dollars to scammers in response to elaborate mailings she received about winning a foreign lottery. Another worst complaint involving phony promises of big winnings was reported to the **Cape Cod Consumer Assistance Council** in Massachusetts by an 86 year-old Korean War veteran. He had sent \$86,000 to fraudsters who pretended to be from the New York State Lottery Commission. To raise the money, he’d maxed out the cash advances on his credit cards and even turned his burial bonds over to scammers. Unfortunately it was impossible to retrieve the money in either case.

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

Arkansas

The worst complaint to the **Arkansas Attorney General’s Office** last year was from a woman who fell for the “IRS scam.” It started when she got emails and text messages telling her she owed taxes and threatening dire consequences if she didn’t pay. She sent three wire transfers totaling \$170,000, two to banks in China and one to a bank account in Texas. The agency wrote to the accountholder in Texas, who responded that he didn’t know why the woman had sent the money or about these types of scams. He said he was simply following instructions from people who had “hired” him to work for them at home, accepting deposits for them and sending them the money minus his “pay.” His account was frozen and of the \$62,000 that the Arkansas woman had wired to him, only \$23,000 was left, which the bank refunded to her.

The Internal Revenue Service doesn't contact taxpayers via email, text messages or social media channels to ask for personal or financial information or to demand payment. Report suspected IRS imposter scams to the Inspector General at the U.S. Treasury at www.treasury.gov/tigta/contact_report_scam.shtml.

California

The Arkansas case is an example of what the **San Francisco District Attorney’s Consumer Protection Unit** described as the fastest growing problem last year, the use of “money mules” to receive payments for scammers. In one case last year, a 92-year old San Francisco woman was duped into believing that she had won millions in the Publishers Clearing House sweepstakes and sent a total of \$80,000 to claim her prize to a Massachusetts woman who was supposedly an agent for the company. The agency asked police in Massachusetts to contact the recipient. Of course, she had nothing to do with Publishers Clearing House. She admitted that she knew she had done something wrong, but by that time she had already sent most of the money to someone overseas whom she had met through social media. The remaining \$9,000 was returned to the San Francisco woman, and the “money mule” is facing extradition to California to stand trial for theft.

Legitimate companies don’t hire consumers to receive payments from their customers and send it to them. Fraudsters do, because it helps them cover their tracks. You won’t get the pay that you were promised, and you could be charged with a crime and having to repay the scammers’ victims.

Virginia

A woman contacted the **Fairfax County Department of Cable and Consumer Services** about a call that she'd received from the electric company saying that her bill was overdue and her service would be disconnected if she didn't pay it right away. Since the woman had already paid the bill, on time, she wanted to complain about the company's poor recordkeeping. But when the agency investigated, it found that the company doesn't make calls on Saturdays, when this occurred, or from the number that it came from. It was probably the variation of imposter scams in which callers pretend to be from a utility company and try to scare people into sending money to avoid termination.

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.

Ohio

The fastest-growing complaints to the **Cuyahoga County Department of Consumer Affairs** continued to be imposter scams in which callers claiming to be from local police tell people they need to make an immediate payment to avoid arrest for missing a court date. In an example from last year, a woman said that her husband received a call from a "Sergeant Stanley McCloud, Badge Number 5370" from the Cuyahoga County Sheriff's Office, claiming that there was a warrant for his arrest for skipping jury duty. She got on the phone to explain that her husband had been called for jury duty the previous year but had received approval not to appear because of a medical problem. The caller said that she'd need to come to the county jail and post a bond of \$485, and if she didn't, "someone would come for her." She hung up and called the real Sheriff's Office, which confirmed that no one from there had called and referred her to the consumer agency. Though she and her husband didn't lose any money, others have. Victims were instructed to call the "Sergeant" back at a certain number when they got to the courthouse. At that point, the man claimed that he was too busy to come down to get the money and told them buy gift cards for the amounts that they needed to pay and call him back with the numbers on the cards. This scam is continuing to evolve; recently people who have been defendants in criminal cases have been getting similar imposter calls.

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

Ohio

In another new twist to an old scam, the **Ohio Attorney General's Office** received a complaint from a man who had been contacted by someone claiming that he had money coming to him as the result of a court case. The man was asked for his credit card account information in order for the money to be credited to it. Sure enough, he received a credit for \$4,262, whereupon he made two wire transfers to Florida totaling \$1,500 as he had been instructed to pay for legal costs. As soon as they got the transfers, the scammers took back the money that had been credited to his credit card, leaving him wiser but \$1,500 poorer.

Using a money transfer service is like putting cash in an envelope and mailing it to someone. That's why it's the preferred payment method for fraudsters. They pick the money up quickly, in cash and often using phony identification, making it impossible to trace them. These services should only be used to send money to people whom you know personally.

Florida

Since 2014, the **Florida Attorney General's Office** has investigated many "tech support" scams in which consumers are lured by pop-up messages into giving fraudsters control of their computers and paying them to fix a malware problem that doesn't actually exist. In 2017 the agency and the Federal Trade Commission announced settlements with Big Dog Solutions LCC, which also did business as Help Desk National and Help Desk Global, and related individuals. The defendants agreed to turn over approximately \$700,000 in assets and are banned from providing any tech support products or services.

Never let anyone who contacts you out of the blue have access to your computer. If while browsing on the internet, you receive a pop-up window warning you that your computer is infected or there is an "error" and you must call a number or click a link for tech support help, press Control+Alt+Delete, and use the Task Manager to close out the pop-up window. Do not click a link, call the number listed or attempt to use the "X" in the corner to close the pop-up. Learn about the "tech support scam" at <https://www.consumer.ftc.gov/articles/0346-tech-support-scams>.

Vermont

Consumers are not the only targets of tech support scams. For example, a small business contacted the **Vermont Attorney General's Office** to report that it had provided a debit card number to pay a \$199 fee in response to a pop-up message that said that the business owed money for a subscription to a tech support service. It did not, but the bank would not credit back the funds. The agency sent an email to the company and followed up with a phone call and, amazingly, the business received a refund. In most cases, however, money paid to these scammers is gone for good.

Businesses as well as consumers need to know how to protect themselves from online scams and keep their computers secure from hackers, malware and other threats. The Federal Trade Commission offers good information for everyone at www.onguardonline.gov.

Fuel

Florida

After a man bought gas at a station in Florida, he drove for about a block before his car broke down. He complained to the **Florida Department of Agriculture and Consumer Services**, which dispatched an inspector to the station. Tests showed that the gas was contaminated and the inspector returned to stop further sales. Once the contaminated gas was pumped out and replaced and tests confirmed that the gas was fine, the station was allowed to resume sales.

Gasoline sales are regulated to make sure that consumers are getting the quantity and the octane that is displayed on the pumps and that the gas is not adulterated. If you suspect that gas you purchased was bad or that pumps aren't working right or are labeled incorrectly, ask your state or local consumer agency where you should report the problem, and save the receipts and any other documentation.

Health Products/Services

District of Columbia

Last year the **District of Columbia Attorney General's Office** received dozens of complaints from consumers who said that they'd been assured by a local health club that they could cancel anytime without penalty simply by telling the person at the desk or the manager that they wished to do so, despite the fact that their contracts required a 30-day written notice. But consumers who verbally cancelled continued to be charged. The company entered into an Assurance of Voluntary Compliance with the agency in which it agreed to clearly disclose its cancellation policies, refrain from billing consumers who had asked to cancel, and provide refunds to those who continued to pay after attempting to cancel.

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

Massachusetts

The **Cambridge Consumers' Council** tried to resolve a number of complaints last year against Professional Fitness, a company that provides consumers with personal trainers. When a popular gym, Workout World, barred Professional Fitness personnel from its premises, consumers who used that facility were told that they would have to go elsewhere to continue their training. That was inconvenient for some consumers and they wanted refunds. However, Professional Fitness argued that the situation did not fit the rights to cancel spelled out in the contract, and attempts to mediate failed.

Some states require health clubs to allow members to cancel with no penalty and obtain refunds under certain circumstances, such as when a customer moves more than a certain distance away or can no longer use the facility because of a significant illness or injury, or when the club fails to provide the services it advertised. But the personal trainer industry is largely unregulated, so it is important to read the contract for these services carefully before signing to make sure you understand the terms and conditions. As with health clubs, the best protection is to find a trainer that you can pay on a per-visit or monthly basis, without having to commit to a long-term contract.

Virginia

The worst complaint to the **Fairfax County Department of Cable and Consumer Services** last year was from a 79 year-old widow who saw an ad in the paper offering help for neuropathy sufferers. The ad said that screening was free and the business accepted Medicare and most other major insurance plans. Having already been diagnosed with that condition, the woman told the business she only wanted to have lab tests if they were covered by Medicare, and was assured they would be. During her one-hour visit, she never saw a doctor. She was given prescriptions for the lab tests, and in a subsequent meeting to discuss the results, most of the recommendations made to her were for over-the-counter vitamins. She tried to arrange for follow-up visits, but the company failed to return her calls. Meanwhile, Medicare notified her that she was responsible for charges totaling \$16,788 because the business was not a participating provider. When the agency contacted the business, it could not explain the charges but confirmed that woman did not owe it anything.

Before going for tests or treatment by a healthcare provider you aren't familiar with and that you weren't referred to by your doctor, check with your state medical board to find out if the provider has to be licensed, whether any requirements that apply have been met, and if there have been disciplinary

actions for problems. The Federation of State Medical Boards provides a list of state medical boards at <https://www.fsmb.org/contact-a-state-medical-board/>. Ask your health insurance company in advance about coverage and whether you will need to submit the bills or the provider should do so.

Vermont

Businesses of any kind can close without warning, as MD Cosmetics Medical Spa did last year, resulting in 122 complaints to the **Vermont Attorney General's Office**. Some consumers were in the middle of their courses of treatment, some had prepaid and not yet received any services, and some had unused gift certificates. Consumer losses totaled \$118,145. The company is bankrupt, but agreed to a settlement with the agency that includes making restitution, subject to the owner's ability to pay. For the next five years the owner must provide the agency with evidence of income and assets annually, and if certain thresholds are met, payments may be required towards the amounts consumers are owed.

Paying with a credit card for health products or services that will be delivered in the future gives you extra protection in case you don't receive them because you have the right to challenge the charges. Credit card issuers will usually refund the money to your account even if it is past the usual time limit for disputing the charges, as long as you notify them as soon as you discover the problem. If you arranged for automatic payments from your bank account, contact your bank immediately to stop them.

Home Improvement/Construction

Pennsylvania

Home improvement problems are often cited as the worst complaints to state and local consumer agencies because of the severe impacts that they can have on the homeowners. One vivid example of this is a complaint the **Bucks County Consumer Protection, Weights and Measures Office** received last year from an elderly woman who gave an unlicensed contractor \$10,000 for roof repairs and interior work. The contractor, who had been recommended by the woman's home health care aide, did the demolition work and never returned, leaving the house uninhabitable. Now the property is being foreclosed on because the homeowner is living elsewhere and can't afford to hire someone to fix the house and continue to make the mortgage payments. The investigation is ongoing.

Your state or local consumer agency can tell you if the work that you want done requires a licensed or registered contractor. While having a license or registration is no guarantee that the contractor will do a good job, failure to comply with the requirements could be a sign that the contractor is irresponsible.

New Jersey

The havoc caused by Super Storm Sandy in 2012 is still being dealt with in New Jersey. Last year a former home improvement contractor against whom the **Ocean County Department of Consumer Affairs/Division of Weights and Measures** received numerous complaints finally admitted to ripping off victims to the tune of \$1.86 million. James "Jamie" Lawson pled guilty to money laundering and theft for taking payments from 30 homeowners to repair their houses after the storm and doing little or no work. He was also accused of failing to pay a half-dozen employees. Lawson faces many years in jail. Additionally, under the terms of a civil consent judgment, he is required to make restitution.

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.

Connecticut

For the **Connecticut Department of Consumer Protection**, the worst complaint continues to be crumbling foundations in some houses that were built in the eastern part of the state. The consumer agency's investigation, which was initiated in 2015, has determined that the presence of the mineral pyrrhotite in the concrete that was used in the foundations is a factor in their cracking. Over time, the cracking expands, in some cases to the point where the homes must be condemned. In 2017 the agency logged more than 600 complaints from homeowners who believe that they have this problem, more than triple the 233 complaints it received in 2016. As a resource for homeowners, the agency created a webpage, <http://www.portal.ct.gov/DCP/Trade-Practices-Division/Deteriorating-Concrete-Foundations>. The good news is that Connecticut has just enacted legislation to place a surcharge on homeowners' insurance policies, the proceeds of which will go to a Healthy Homes Fund to help these consumers.

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

Florida

Twenty-eight consumers made complaints to the **Pinellas County Consumer Protection Office** about a dock builder who failed to start and/or complete the work that he promised to do, including installing new pilings, delivering and installing boat lifts, and building or repairing seawalls. Typically, the consumers paid 50 percent upfront, for a total of more than \$260,000. The investigation is ongoing.

Whether it's a dock for your boat or a garage for your car, if you want to have something built, get a few estimates and references from contractors. Look at the work that they've done for others and ask those people about their experiences with the contractors before you decide which one to hire.

Massachusetts

The worst complaint in 2017 to the **Cambridge Consumers' Council** was from a couple with two small children who wanted to have their home renovated. The contractor convinced them that it would be less expensive to demolish the house and replace it with a prefabricated home that would be ordered and shipped from Maine. In February they paid a \$5,000 retainer and expected to receive the floor plans, but the plans were not delivered. Nonetheless, in March they signed a contract and made an additional down payment of \$23,000, expecting the work to be done by July. In April, they were asked to pay another \$25,000. There were still no floor plans. In May, the existing house was demolished. The floor plans still had not materialized and the contractor told them the vendor might not have a house available so other options needed to be explored. No permits had been secured, there still were no plans, and the contractor wanted another \$30,000. The couple went to a lawyer, who negotiated an agreement in which the contractor would provide the plans and order the home within four weeks, at which point the couple would give him \$15,000. But four weeks came and went with no progress, and the fed-up couple cancelled the contract. They had paid \$68,000 and all they had to show for it was a hole in the ground. Furthermore, the excavation for the foundation was not done properly and problems had arisen concerning local zoning codes. As the couple belatedly started to research the contractor, they found that his last company's license had been revoked by the state, and the company that they had contracted with was actually owned by his son, who would not communicate with them.

They also discovered that 20 other customers were already suing the contractor and that there were no assets in his name. The couple was advised to explore taking whatever legal actions may be possible.

If a contractor has left you without a roof over your head or with a hole in the ground where your new house should be, you may need to fire the company and hire a new one. In some states consumers can apply for reimbursement from a home improvement guaranty fund if they can't resolve problems with their contractors, but to be eligible there may be a requirement that the contractor was duly registered or licensed – a good reason to ask your state or local consumer protection agency what you need to know before you sign on the dotted line for the work.

Arkansas

Another case of a home never constructed had a happier ending. In 2016 the consumer made a \$10,000 deposit to a contractor for a lot and house to be built on it. The work never started and last year the consumer contacted the **Arkansas Attorney General's Office** for assistance in getting a refund. The contractor had many excuses: the land actually belonged to someone else, who was ill; it was difficult to reverse the paperwork and arrange with the bank for a refund. The agency's investigator checked with the person at the bank whom the contractor claimed to have dealt with and discovered that there was no paperwork to reverse and no need to arrange for a refund with the bank, because there had been no transaction with the bank at all. Informed that he could not keep the consumer's money, the contractor returned it.

When you are buying a home, condominium, or vacation home that hasn't been built yet, consult with an attorney about whether a performance bond or other protections can be built into the sales agreement.

Ohio

Home improvement problems were the fastest growing complaints to the **Ohio Attorney General's Office** last year. In one example, an elderly, disabled man asked for help after paying \$5,000 for new windows for his home and finding that they leaked. The company repeatedly promised to fix them, then at some point refused to come back at all. Once the agency got involved, the company inspected the problems, ordered the necessary materials, and made the repairs.

Have a problem with work that was done on your home? Try to resolve it directly with the contractor and if you don't succeed, ask your state or local consumer agency for advice and assistance.

Maryland

The **Montgomery County Office of Consumer Protection** provided another example of a leaky situation, this involving a senior who contracted to get his roof replaced. The new roof leaked and the company that installed it tried unsuccessfully to fix it. At the agency's suggestion, the company agreed to pay for a third party to inspect the roof. The conclusion was that most of the issues could be resolved easily except in one area where a portion of the original roof remained. The company contended this was not its responsibility. Negotiations ensued and the company finally agreed to take \$1,500 off the balance that the consumer still owed.

Sometimes it is helpful to get a second opinion about a problem with home improvement work. Get a written statement and a receipt for any payment you had to make for the inspection.

Florida

A 74 year-old man found a roofer through a website that provides referrals to home improvement contractors. The roofer said that he had checked with the man's insurance company and the work would

be fully covered. Only one catch – the homeowner had to pay for the work upfront and then the insurance company would reimburse him. The man paid the roofer a total of \$73,080, but the work was not done. At some point he decided to check with his insurance company, to learn he would not have been reimbursed. The **Orange County Consumer Fraud Unit** determined that the roofer is unlicensed and is in custody in Georgia. Charges are now pending in Florida for Grand Theft.

Never pay the full amount for home improvement work upfront. You will have no leverage if the contractor doesn't complete the job or the work is shoddy. If you plan to make an insurance claim for the work, contact your insurance company directly before you sign the agreement with the contractor to confirm it will be covered and ask if there are any procedures that must be followed.

In last year's survey report, we flagged problems with solar sales and installation as an emerging issue to watch. Several agencies reported this time that they have begun to get those complaints.

Florida

Hillsborough County Florida Consumer Services described the typical solar complaints that it received last year: consumers were approached, often by unsolicited phone calls, by companies claiming that installing solar panels will eliminate their electric bills; a home meeting was scheduled during which the consumers were persuaded to make the purchases based on promises that with the tax credits they would get and the elimination of their electric bills, the cost of the equipment and installation will be paid for within five or six years; the seller arranged for financing for the purchases; and the consumers later discovered that the number of solar panels they got did not make an appreciable difference in their electric bills, but they were still on the hook to make the finance payments for years to come.

Connecticut

Problems with solar sales and installations were the fastest-growing complaints to the **Connecticut Department of Consumer Protection** last year. In an example the agency provided, an elderly couple was pressured into signing a contract for \$35,000 in order to reduce the cost of their electric bill, which was only \$100 per month. Even if the savings claims were accurate, they would never recoup the investment in their lifetimes. The **Cambridge Consumers' Council** in Massachusetts also cited solar sales as the fastest-growing complaints in 2017. Two homeowners made similar accusations against a company for failing to disclose the amount of the monthly fees and misleading them about other important aspects of the contracts. Shortly after the panels were installed, the company went bankrupt. The homeowners were worried because they could not get any information from the new company that was supposed to service the panels. The agency tracked that company down and got all of the problems resolved.

Maryland

Another common complaint that consumers made last year about solar sales, according to the **Montgomery County Office of Consumer Protection** in Maryland, was that incompetent installers damaged their roofs.

Utah

The **Utah Division of Consumer Protection** dealt with a different solar sales problem in 2017. When a company that sold and installed the panels fell behind in paying the wholesaler for them, the wholesaler filed liens on more than 60 homes in the state to recover the \$400,000 it was owed. The agency

discovered the company was using a contractor license number that did not belong to it. The issues with the wholesaler were resolved, the liens were lifted, and the company paid a \$5,000 fine.

States are beginning to enact laws concerning solar sales and leases. Don't be pressured into signing a contract on the spot. Ask your state or local consumer agency if there are any requirements that the companies must follow. Next, insist the company provide you with information in writing about how any estimates of utility savings are calculated, what the total cost will be including maintenance, your cancellation rights, what warranties are provided, and what happens if you sell your home or no longer want community solar power. If you decide to go forward, make sure everything you've been told is spelled out in a written contract and that you're given a copy. The Solar Energy Industries Association offers guides for consumers at <https://www.seia.org/initiatives/solar-customer-resource-portal>.

Home Solicitations

Florida

Illegal robocalls continue to be a major subject of complaints to state and local consumer agencies. In 2017 the **Florida Attorney General's Office** and the Federal Trade Commission obtained permanent injunctions against Orlando-based All Us Marketing LLC, formerly known as Payless Solutions LLC, and affiliated businesses and individuals for allegedly bombarding millions of consumers with robocalls to trick them into paying high up-front fees for worthless credit card interest rate reduction programs. Consumers paid between \$300 and \$4,999 and never got the promised services. Furthermore, the callers falsely represented themselves as being from the consumers' banks or credit card issuers.

It's illegal for a salesperson to call if your phone number is on the National Do-Not-Call registry and the caller is not from a company that you have done business with before. It's also illegal for companies to make prerecorded sales calls to you – "robocalls" – unless you agreed in advance, in writing, to receive them. If a company is violating your telemarketing rights, chances are it's a scam. Legitimate businesses play by the rules. For more information about your telemarketing rights under federal law go to https://consumerfed.org/consumer_info/understanding-your-telemarketing-rights/. You may also have telemarketing rights under state law; ask your state or local consumer agency.

Maryland

One of the worst complaints to the **Howard County Office of Consumer Protection** last year was from a senior who was approached by a door-to-door meat vendor as she was getting out of her car in her driveway. Even though she lived alone, she agreed to buy \$1,992 worth of meat in order to get the man to leave her home. In addition to using high-pressure sales tactics, he failed to notify the woman about her three-day cancellation rights. After the agency contacted the man, he refunded the woman's money and agreed to abide by Maryland and federal door-to-door sales laws. His company has since gone out of business.

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

Several agencies reported that they had received complaints about sales of alarm systems last year. Many of these solicitations were made door-to-door or were initiated by telemarketing or mailings. These examples illustrate the misleading claims, high-pressure sales tactics and other problems that consumers reported.

Arkansas

A man agreed to buy an alarm system from a door-to-door salesperson, but didn't receive his copy of the contract until two days later. When he read it, he discovered that the length of the service and the total price were more than he had been told. He contacted the **Arkansas Attorney General's Office**, which negotiated with the company to cancel the contract, remove the system, and refund the \$4,927 the man had paid.

Louisiana

The **Louisiana Attorney General's Office** received several complaints last year about companies that contacted consumers claiming to have taken over the accounts from their current alarm services. They installed new equipment and told the consumers that they would now receive bills from the new company instead of the old one. But the consumers continued to be billed by the "old" company, as well as the "new" one. The equipment was often poor quality and sometimes stopped working within a couple of months. Many of the victims were elderly. The agency was fairly successful in getting these contracts cancelled.

Georgia

These and other misleading sales tactics were cited in a suit the **Georgia Department of Law's Consumer Protection Unit** brought against Alarm Protection Georgia, LLC and Alder Holdings LLC, Utah-based companies that marketed door-to-door throughout the state. In addition to misrepresenting their relationships to companies with which consumers already had alarm service contracts, they induced new purchases by falsely claiming the level of criminal activity in consumers' neighborhoods had increased and that they had been referred to the consumers by law enforcement officers who lived nearby – sometimes they even said the officers had recently bought the same alarm systems for themselves. Another interesting aspect of these complaints is that the salespeople used handheld devices to make the contracts with consumers electronically. Consumers were not able to scroll through the contracts to read the terms; they were handed the devices with only the signature page showing. In some cases the consumers, most of whom were elderly or disabled, did not have email addresses or even computers with which they could receive copies of the documents. In addition, the consumers were not informed of their right to cancel within three days. The office obtained a \$500,000 judgement against the companies which, among other things, required them to make restitution, cancel contracts and forgive any balances due, reverse negative information that had been transmitted to the credit reporting bureaus, and refrain from further violations of law. An 18-month monitoring period was imposed during which the companies must provide additional remedies as directed by the state.

Ohio

The **Cuyahoga County Department of Consumer Affairs** also received complaints last year about a company that used scare tactics to sell alarm systems. It sent letters that appeared to come from the county government, complete with the name and logo, to nearly 900 new homebuyers, warning them their neighborhoods were unsafe because of "the urgent opioid crisis" and informing them they qualified for "free" alarm systems as part of a countywide program. The letter made no mention of any fees and provided no evidence to back up the alarming claims about crimes. When the agency contacted

the company it agreed to stop sending the mailings immediately, turn over its mailing list, and pay the costs for the agency to send a follow-up mailing to the consumers explaining the letter they received was not from or endorsed by the county, and giving them information about the use of the word “free” in sales solicitations.

Massachusetts

Many alarm service contracts are for lengthy periods of time and automatically renew unless the consumer says “No.” Except for the three-day cancellation right that consumers have in door-to-door sales over \$25, these alarm service contracts do not allow consumers to cancel without penalty. An elderly veteran on public assistance asked the **Massachusetts Attorney General’s Office** for help last year when he couldn’t afford to continue paying for his alarm service and no longer had the landline required for the service to work. The agency was able to get the past-due charges waived and cancel his contract without penalty.

If you’re approached by a company selling alarm systems, don’t let a salesperson into your home unless you’re interested and you have first asked for and received written information about the offer, including all costs. Check out the company with the Better Business Bureau; if there have been lots of complaints, steer clear! Other danger signs to watch for include: salespeople showing up at your door unexpectedly; claims you have been specially selected for this offer; the use of scare tactics about crime in your area; and pressure to sign a contract immediately. If the company says a neighbor referred it to you, check with that person directly. Also be suspicious if the company tells you it has taken over your existing alarm service account. Ask your current alarm company if that is true. If you agree to buy an alarm system, get a written contract that spells out all the terms and costs. For purchases made at your home, the company must also tell you about your right to cancel within 3 business days under federal law and give you that information in writing. No work should begin until after the cancellation period has ended.

Household Goods

Virginia

A group of inmates from a Pennsylvania prison complained to the **Fairfax County Department of Cable and Consumer Services** last year about problems with tablets they purchased from a company in the county to listen to music and play games. The problems ranged from software issues that prevented the devices from powering on to hardware issues such as damaged charging ports. After being contacted by the agency, the company made the necessary repairs and in some cases replaced the tablets.

All consumers, including people who are incarcerated, should be able to count on the appliances they buy to operate properly and to be repaired or replaced if they don’t.

New York

The **New York State Department of State Division of Consumer Protection** received a complaint last year from a distraught senior citizen about a mattress and adjustable bed set she bought. She had been assured by the high-pressure salesman she had nothing to lose because of the store’s “Love Your Mattress Guarantee.” The first night she slept on the bed it caused her terrible neck and back pain. She returned to the store the next day to ask to return the merchandise under the warranty, but she was pointed to the fine print, which said that it only applied to the mattress, not the adjustable base or the \$600 pillows that were part of the package. The agency found there was no return policy posted in the store or disclosed in the sales contract. State law gives consumers the right to return merchandise

within 30 days if they have a receipt and the store has not provided its return policy. The agency secured a full refund of \$5,744 for the woman and got the expensive financing agreement she had made cancelled.

When you're buying furniture or appliances, don't rely on what the advertisement or the salesperson says about the guarantee. Get it in writing and read it carefully before you make the purchase. Also pay attention to any return policies posted in the store. Your state or local consumer agency can answer questions about your legal rights.

Refrigerators are expensive appliances, so when problems with them arise and consumers get the run-around, they are inconvenienced and understandably upset, as the following stories illustrate.

Massachusetts

In a complaint to the **Consumer Assistance Office - Metro West** last year, the consumer had purchased a refrigerator with an extended warranty from the manufacturer. The icemaker stopped working, and the manufacturer repaired it. It stopped working again and was repaired. It stopped working a third time and was repaired. When it stopped working the fourth time, the consumer demanded a new refrigerator. The extended warranty said that the *same part* had to fail three times before the appliance would be considered for a replacement. In this case, it was the same problem – the icemaker didn't work – but the same part had only been replaced twice, so the manufacturer refused to provide a new unit for free. The consumer office was able to negotiate a "goodwill discount" towards the purchase of another refrigerator or a different appliance of the consumer's choice.

Resist pressure to buy extended warranties. They usually have all sorts of exclusions and limitations and don't provide much more protection than the manufacturer's warranty that comes with the appliance.

Maryland

Another case of an icemaker gone bad involved a high-end refrigerator that a Maryland consumer purchased. Within a short time of the manufacturer's warranty expiring, the icemaker stopped working. The store agreed to have it repaired, but after many attempts to fix it, the icemaker was still malfunctioning and then the refrigerator stopped cooling, causing several hundreds of dollars' worth of food to spoil. At this point the consumer turned to the **Montgomery County Office of Consumer Protection** for assistance and the store agreed to take the refrigerator back for a full refund.

In addition to the manufacturer's warranty, you may also be able to insist on repair or replacement if your state law provides you with "implied warranty rights" to expect that a product will work as it should for a reasonable period of time.

Ohio

Two years after an elderly couple purchased a Kenmore refrigerator from Sears, they noticed it was giving off a very pungent odor, and the food in the refrigerator also started to taste and smell bad. The warranty had expired and Sears told them there would be a charge for any repairs, so they contacted a local repair service. The repairman determined the refrigerator had been overfilled with spray foam insulation during manufacturing and excess insulation had fallen onto the defrost element, causing it to smolder and emit the odor. He removed the burned insulation, but the odor lingered. The consumers wanted a replacement refrigerator, but Sears refused. That's when the **Summit County Office of Consumer Affairs** stepped in. The agency contacted the legal department at Sears, providing photographs and a statement from the repairman. The company sent a subcontractor to inspect the refrigerator, who said he could not detect the odor, and Sears again denied the complaint. But the

agency persisted, resending the information to a specialist at Sears who promised to forward it to company engineers for review. The engineers agreed that the burn marks and debris of melted insulation were evidence that the repairman's analysis was correct. Sears then offered the consumers a new refrigerator plus \$100 for an upgraded model.

If an appliance is defective, don't take it lying down – insist it be repaired or replaced. Take pictures of visible defects, and if necessary pay an independent repair shop to assess the problem and give you a written statement.

Massachusetts

Soon after buying a refrigerator from a big box store, a woman noticed the refrigerator side of the unit would not cool and condensation was accumulating on the freezer side, creating a puddle on the floor. The consumer had purchased a service contract from the retailer, but when she contacted the store, she was directed to the manufacturer because its warranty was still in effect. The manufacturer instructed her to contact a local authorized technician. The technician cancelled the appointments with her several times. When he finally came, he determined that a part needed to be ordered. A month went by and the part was not delivered. The woman contacted the manufacturer, which directed her back to the retailer. The retailer told her to contact the company that provided service under the contract she bought. That turned out to be the same technician. She was charged \$80 for the service call. Eventually the part came and was installed. That seemed to resolve the cooling problem but not the condensation. The technician told her the home was "too humid." A few days later the refrigerator stopped cooling again. She contacted the manufacturer and was informed it would not provide a replacement or refund until there had been six repair attempts. The manufacturer sent the same technician out again. The consumer saw him crack the foam insulation, which he failed to note on his repair report. He ordered the same part again. Completely fed up, the woman asked the **Massachusetts Attorney General's Office** for help. The agency convinced the retailer to refund the funds paid under the service contract and replace the refrigerator.

It's aggravating when appliances break down and even more aggravating if you are being bounced between the manufacturer, the retailer, and the company that handles the warranty claims. Make notes of who you spoke with and when, and contact your state or local consumer protection agency for help.

Identity Theft

Ohio

A man was unaware that fraudulent accounts had been opened using his identity until he was denied credit while shopping for clothes to attend his wife's funeral because of negative information on his credit report. The Identity Theft Unit in the **Ohio Attorney General's Office** contacted the creditors and worked with the credit reporting agencies to clear up his credit record.

If you're an ID theft victim, you can get customized information about the steps you should take at www.identitytheft.gov. You can also report identity theft through that site. The information goes into a database that local, state and federal government agencies can access to aide their investigations.

Connecticut

When Nationwide Insurance Company suffered a data breach in 2012, the **Connecticut Department of Consumer Protection** and the state attorney general's office investigated and found the company had

failed to apply a critical software patch, allowing hackers to exploit a vulnerability and access sensitive personal information about consumers including their full names, sex, occupations, employer names and addresses, driver's license numbers and states of issuance, Social Security numbers, marital status, dates of birth and a Nationwide internal credit-related score. Many of the victims were not Nationwide's customers, but had inquired about insurance and the company retained their data in order to more easily provide them with quotes again. Approximately 774 Connecticut residents were impacted by the breach. The investigation led to a multi-state action, headed by the Connecticut attorney general, which was settled last year for \$5.5 million, of which Connecticut's share was \$256,559. Nationwide agreed to be more transparent about its data collection practices, appoint a qualified individual who is responsible for monitoring and managing software and application security updates and security patch management, update its procedures and policies for the maintenance and storage of consumers' personal data, conduct regular inventories of the patches and updates applied to its systems used to maintain consumers' personal information, use system tools to monitor the health and security of its data systems, perform internal assessments of its patch management practices, and hire an outside, independent provider to audit its data collection and maintenance practices.

While the federal government has not set general requirements for businesses to secure the personal information they hold about consumers, states are starting to do so. The Federal Trade Commission and state agencies can also take action if businesses don't live up to the promises they make about securing people's data or if their security practices are unfair or deceptive.

Vermont

The massive Equifax data breach in 2017 generated a wave of requests to state and local consumer agencies from consumers seeking advice and assistance. For instance, nearly 700 consumers contacted the **Vermont Attorney General's Office** as a result of the breach. Some were confused about why they were being contacted by a company they'd never heard of, others had difficulty obtaining the free credit freezes to which Vermont identity theft victims are entitled or the identity theft services that Equifax offered. Many just wanted to know what happened and how to protect themselves. To help manage the surge of inquiries, the agency set up a breach-specific phone line. It also created blogs to provide facts about the Equifax breach and explain how credit reporting agencies obtain individuals' personal information and how to set up a credit freeze. In addition, the agency in partnership with the Department of Financial Regulation issued a report and recommendations to the legislature with a menu of options for consideration regarding data broker legislation. In the 2018 session, Vermont lawmakers passed a new law that protects consumers from credit freeze fees and fraudulent acquisition of Vermonters' data, and establishes a registry and security standards for the data broker industry. (See also New Consumer Protections, New York, page 9).

Most states require residents to be notified about data breaches, and in some cases, to be provided with certain types of assistance. Some states also give ID theft victims the right to freeze their credit reports at no charge to make it harder for fraudsters to open new accounts using their stolen personal information. As of September 21, 2018, federal law will require the credit reporting agencies to provide free freezes on request for all consumers, whether they are ID theft victims or not.

Insurance

Florida

Hurricane Irma generated many claims to homeowners' insurance last year and, in some cases, complaints against the insurance companies. For example, a woman asked **Pinellas County Consumer Protection** for help when she couldn't get any response from her insurance company about when her claim would be paid or how much she would receive. The insurer had sent an adjuster to inspect the damage, but weeks went by without further word. Since the delay in making repairs was causing additional damage, the woman hired a private adjuster to assist with her claim. The adjuster's report was sent to the insurance company, with no response. After the agency got involved, the woman finally received the amount her adjuster had recommended, \$103,524.

When hurricanes, wildfires, earthquakes or other disasters strike, consumers have enough problems to deal with without having to wrangle with their insurance companies. Keep records of when you contacted your insurer and who you spoke to, when the adjuster came, and any documentation that you have provided. Try to get the insurer's approval to hire someone if it's necessary to make repairs immediately to prevent further damage. If you can't get a timely response from your insurer, you might need to pay for an independent adjuster or emergency repairs yourself. Your state or local consumer agency may be able to provide advice and assistance.

Massachusetts

The **Massachusetts Attorney General's Office** reached a \$6.3 million settlement with American Security Insurance Company, a subsidiary of Assurant, Inc., regarding allegations it force-placed duplicative and improper insurance coverage on homeowners in the state. Although force-placed insurance is only intended for circumstances in which borrowers have failed to adequately insure mortgaged properties, the agency found more than 4,500 cases where there was adequate coverage already or homeowners were sold inappropriate commercial policies. Premiums for force-placed insurance are often two or three times as expensive as regular homeowners insurance and some mortgage servicers accept commissions from force-placed insurers, contributing to the high costs of these products and creating incentives to sell them even when they aren't needed.

A mortgage always requires the borrower to maintain adequate insurance on the property to protect the lender's interest. Under the terms of the mortgage, if the policy lapses or is cancelled, the lender can buy insurance and charge the borrower for it, but it's improper to "force" insurance on the borrower when it's not necessary. The National Association of Insurance Commissioners provides information about force-placed insurance at https://www.naic.org/cipr_topics/topic_lender_placed_insurance.htm. You can find your state insurance department at this link: https://www.naic.org/state_web_map.htm.

Internet Sales

North Carolina

In 2017, the **North Carolina Department of Justice's Consumer Protection Division** began to receive complaints from consumers regarding online retailer eRummagers (www.eRummagers.com). Consumers alleged that they had placed prepaid orders and had not received any merchandise. As a result, the **Financial Fraud Section of the Consumer Protection Division** investigated and sued eRummagers and one of its principals. The Wake County Superior Court issued a Preliminary Injunction

prohibiting eRummagers and its principals from continuing to conduct any online prepaid sales until all outstanding consumer prepaid orders are fulfilled or the consumers are given full refunds. The outstanding amount is greater than \$100,000 and involves more than 1,200 consumers.

Using a credit card is the safest way to pay for online purchases because federal law gives you the right to dispute the charge within 60 days of receiving the first bill on which it appears if it's for the wrong amount, you never got the merchandise, or what you got is different than what you were promised. If you don't discover a problem with an order until after that 60-day window, you may have a legitimate beef with the seller, but your ability to get a chargeback (refund) from your credit card issuer will depend on its internal policies. For the strongest protection, look for online retailers that promise delivery sooner than 60 days and contact your credit card issuer right away if there is a delay in shipping or other problems.

Georgia

The **Georgia Department of Law's Consumer Protection Unit** filed a lawsuit last year against Marvelay, LLC which does business as Spot Reservation and also as Rushcube, as well as associated individuals, to resolve problems with offers it made through numerous websites for recreational activities such as sky diving, hot air balloon rides, helicopter tours and airplane flying lessons. According to the office, consumers are led to believe that they're dealing with the companies listed on the websites and that those companies will provide the activities, when in fact the companies don't exist, nor do the defendants provide the activities themselves. Instead, they sell events to consumers and then book them through third-party vendors. The complaint also alleges that the defendants accepted payments from consumers but failed to make the reservations with the vendors, or told consumers they had reservations for specific dates and times when the vendors had no openings; advertised activities were available in specific cities and locations when they weren't, causing consumers to travel long distances in some cases to participate in activities for which they had paid; and failed to respond to consumers when the vendors cancelled activities due to bad weather. The office is seeking a permanent injunction to stop violations of the state's Fair Business Practices Act, restitution for consumers, civil penalties, and recovery of legal costs.

When you are looking at activities you can book online, such as balloon rides, helicopter tours, and sky diving, read the terms and conditions carefully. Is the seller providing the activities itself, or acting as a middleman? Is there a way for you to confirm your booking directly with the provider? How will you get a refund if for any reason the activities aren't provided? Look for reviews and complaints about the seller, and pay with a credit card so you can dispute the charges if there is a problem.

Utah

Internet sales was one of the fastest-growing categories of complaints to the **Utah Division of Consumer Protection** last year. The Division has received over 100 complaints about one company that sold custom decorations online for weddings and homes. Despite the company's representations, consumers often did not receive their orders on time, leaving some without planned decorations for their weddings. After the initial wave of complaints, the company agreed to pay a fine and fulfill the outstanding orders or provide refunds. However, after the consumers continued to have problems and dozens of new complaints came in, the Division issued an administrative citation alleging additional violations by the company. That citation is currently pending.

When you order something by phone, by mail, or online, federal regulations require the items to be shipped by the time promised, or if no delivery date was specified, within 30 days. If the delivery is

delayed, you must be notified and given the options to wait longer or cancel for a refund. Contact your state or local consumer agency if you have a problem with an order and can't resolve it with the seller.

Arkansas

In response to an ad she saw online from Champion Puppy Shop, supposedly located in Arkansas, a woman in California bought two Teacup Yorkie puppies as gifts for her grandchildren. She paid by sending a money transfer for \$700. Then Pacific Pet Movers, which was to ship the puppies, informed her that due to a change in airline policies she needed to pay \$950 for insurance, which would be refunded when they arrived. She sent the money. Pacific Pet Movers contacted her again to request another \$850. That's when she contacted the **Arkansas Attorney General's Office**, which attempted to reach both companies. The mail was returned as undeliverable, however, and there was no response to emails. The agency advised her to file a police complaint and contact the money transfer service, but it's likely she'll never see her money again and, if there really were puppies, they're not coming, either.

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

Massachusetts

The **Cambridge Consumers Council** reported complaints about online travel websites were a growing area last year. One complaint was from newlyweds who booked airfare for a honeymoon in Iceland through Expedia. They received the confirmation and assumed everything was fine until they got to the airport. The airline said they had no reservation, and there was no way for them to get a flight that evening, so they had to cancel their hotel reservation. The couple felt that Expedia should refund them for the \$150 hotel deposit they lost. Expedia refused, contending it was just a clearinghouse and not responsible for the problem. The agency succeeded in getting the refund for them, which was at least some consolation for the honeymoon they missed.

The third-party websites through which you can book flights, cruises, car rentals, and accommodations with dozens of different companies don't necessarily take responsibility if something goes wrong. Read the terms of service; in many cases you will find the website operators say they'll try to help if there are problems but make no promises, and if you're not satisfied you have to go through binding arbitration rather than suing them. Look to see if the websites offer guarantees and what they cover. If you think you've been treated unfairly, your state or local consumer agency may be able to help.

Massachusetts

More than a dozen consumers filed complaints with the **Massachusetts Attorney General's Office** last year about gift cards they bought online on "gift card exchange" (GCE) websites. These exchanges enable people to resell gift cards that they haven't used to other people for a discounted price. Some consumers complained the value of the gift cards they purchased was depleted before they received them. GCEs that did not offer guarantees and/or had clear "no refunds" policies generally refused to give the consumers their money back. Other consumers complained the gift cards they bought weren't honored by the businesses that issued them because the terms of the cards expressly prohibited reselling them or transferring them to someone else. Some of those businesses agreed, however, to replace the value of the cards as a "courtesy" when the agency contacted them.

Not all gift card exchanges verify the value of cards that people post for sale on their websites or check to make sure they're transferrable. If you buy a gift card from an exchange that doesn't provide a guarantee or has a "no refunds" policy, you could be out of luck if it's worth less than you expected or you can't use it at all. Look for information about the exchange's policies on its website and read it carefully. And check the terms and conditions printed on the card before you click to buy it.

District of Columbia

Crowdfunding websites have become a popular way for start-up businesses to raise funds –and a subject of complaints. The worst complaint to the **District of Columbia Attorney General's Office** last year was about a Virginia corporation operating in the District that collected \$284,000 through crowdfunding to produce athletic apparel, but after more than two years hadn't delivered a stitch of clothing to its supporters or responded to demands for refunds. It appears that at least \$112,000 of the money raised was spent on personal expenses. The matter is in litigation.

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

New York

The luxury bedding company Brooklinen advertised in New York City subway cars and stations that consumers could use the promotional code "SUBWAY" on its website to get \$20 off their purchases plus free shipping. But when investigators from the **NYC Department of Consumer Affairs** tried to use the code, they found it did not work unless the purchase before the discount was for at least \$100, a fact that was not disclosed in the advertising. The company agreed to remove the minimum purchase requirement for the rest of the time the advertising remained in place and to include clear information about any limitations in future ads. It also paid a \$25,000 fine.

You see a great deal advertised by an e-commerce site, but when you get there you discover there are charges or limitations that weren't disclosed in the ad. That's not right! Advertising should be truthful and tell you the important things you need to know about the offer. Report misleading ads to your state or local consumer agency.

Landlord/Tenant

Maryland

A tenant received notice from her landlord that he wanted her out in 14 days because she had violated the lease. The landlord also demanded that she pay a "buy out" fee of \$4,050. The lease did have a provision that the tenant could terminate the lease early by paying a fee, but as the **Howard County Office of Consumer Protection** explained to the landlord, the lease did not say that there would be a fee if it was the landlord who wanted to end it early. Furthermore, Maryland law requires landlords to "mitigate" their damages – in this case attempt to find a tenant for the rest of the lease period, so that the tenant would only be liable for the period that the unit remained empty. The parties agreed that the tenant would leave in 14 days and no fee would be charged.

Unsure of your rights as a tenant, or your obligations as a landlord? Get the information from your state

or local consumer protection agency.

Louisiana

One of the worst complaints to the **Louisiana Attorney General's Office** last year was from an older woman who had not been able to sleep in the bedroom of her apartment for three months because of a leaking roof. The property management company sent a roofing contractor to repair the problem, but several weeks later when it rained again the roof still leaked. The tenant offered to have a relative come to fix the problem, which the managed company refused because it wanted the contractor it had already paid to make the repair properly. It took a while but the contractor did finally return and this time the repair worked. Mold and moisture tests were conducted to make sure there were no health issues as a result of the leak, and the management company gave the tenant credit for one month's rent, \$719, for her inconvenience.

Many states require landlords to ensure their rental property meets specific safety and health standards. If you call your landlord about a problem, you may want to follow up with a letter and keep a copy so you'll have a record. The time limits for landlords to make repairs sometimes depend on the seriousness 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.

Florida

A young mother complained to **Hillsborough County Consumer Protection Services** that the property management company that leased a home to her knew there were code violations, including a rat infestation. She provided the agency with photographs showing rats eating the groceries she had bought for her three young children. Rats as big as ten inches long were living in the walls of the home and had even climbed on her son's bed. There was also a strong odor of dead rats in the house. The agency got her lease terminated and a full refund of the \$2,051 she'd paid for the security deposit and rent.

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

Maryland

Landlord/tenant problems were among the worst reported to the **Maryland Attorney General's Office** in 2017. One complaint involved an apartment complex that was being renovated and turned into a gym. Most of the tenants were near the ends of their leases or had already moved out, but one couple had just renewed their lease for a year without any inkling of the change and had nowhere to go. The management company agreed to cover all of the expenses of moving them to another complex that it managed and provided them with some additional amenities as well as a cash payment of \$2,500.

A lease is a legal document that spells out the responsibilities for both the tenant and the landlord. If you're a tenant and believe the landlord is not honoring the agreement, or you're a landlord and you're not sure of your obligations, consult with your state or local consumer agency.

Arkansas

Sometime after a man moved out of his apartment at the end of the lease, having provided his forwarding address to the management company, he received a notice from a collection agency that he owed the company \$65. He returned to the apartment complex to get an explanation and was told the charge was for the cost of removing the patio furniture. He said the furniture was there when he moved in, but the company refused to retract the charges. When the **Arkansas Attorney General's Office** contacted the company on his behalf, it was told the patio furniture had to be broken down and there

was a charge for that work plus the disposal fee. But the man returned once more to the apartment complex and took a picture, which he provided to the agency, showing that the furniture was still intact and in place. This time when the company was contacted, the charges were removed and the account was adjusted to show a zero balance, restoring his good credit record.

Tenants are generally only responsible for damage or other problems they and their guests cause. If your security deposit has been wrongly withheld or you're charged for something you shouldn't be and you can't resolve the matter with your landlord, ask your state or local consumer agency for help.

Real Estate

South Carolina

The worst complaints to the **South Carolina Department of Consumer Affairs** in 2017 were about a real estate swindle in which people who wanted to sell their homes and people who wanted to buy them were duped. A company that falsely presented itself as a faith-based organization led homeowners who desperately wanted to get out of their mortgages believe it would help them by finding people to buy their homes on a rent-to-own basis. The would-be buyers were told their payments would go towards owning the homes. At first, the company did apply some of the money it collected from the buyers to keeping up the sellers' mortgage payments, but eventually it stopped doing so. The sellers began to get notices of foreclosure from their lenders, and the buyers began to get eviction notices. One couple, excited to be purchasing their first home together, gave the company \$5,000 down and \$800 a month for 18 months before their eviction notice appeared. Other state and federal agencies were also receiving complaints and joined forces in the investigation. In all, there were 20 complaints. Earlier this year, the company's owners, who pocketed more than \$1 million, were indicted for fraud, conspiracy, and failing to maintain payments on federally-insured mortgages.

Real estate transactions can be complicated, and if something is not on the up-and-up, there could be serious financial consequences. Have a lawyer review the paperwork, especially if you are making a deal to let someone pay off your mortgage or to rent a home with the option to buy, to be sure it's legitimate and you're protected.

District of Columbia

Last year the **District of Columbia Attorney General's Office** began offering mediation to condominium and co-op owners to help resolve disputes with their owners' associations. For example, one consumer complained about being billed \$1,500 by his condo association for water extraction and sewage clean-up for his unit. He had argued, unsuccessfully, that the sewage back-up occurred in a common area of the building and he should not have to pay for the work the cleaning service did to a portion of his carpeting. With the agency's help, he got the bill removed.

The board of directors of a condominium association sets the rules owners must abide by and that dictate how responsibility for repairs will be handled. If you believe the rules are not being properly followed, your state or local consumer agency may be able to give you advice and assistance.

Retail Sales

Maryland

Last year the **Montgomery County Office of Consumer Protection** received more than 30 complaints about a store that sold water by the gallon. Customers that prepaid for a certain number of bottles were given cards that were punched every time they got a new one. The store was suddenly shuttered, leaving customers in the lurch, including some who bought the punch-cards as recently as the month before. The agency tracked the store owners down to a new dry cleaning business they were operating in a neighboring state and obtained refunds, which ranged from \$30 to \$650, for all of the customers who were owed money back.

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

Massachusetts

A business made an unusual offer, a form of "futures contract," to Boston Patriots fans. They could pay the company \$1,000, over the course of 26 weeks, and if the team was in the Super Bowl, they would receive a ticket. The Patriots did indeed make it to the Super Bowl. Six days before the event, however, the company informed the consumers it was unable to get the tickets. With the help of the **Massachusetts Attorney General's Office**, the consumers received up to three times the amounts they had paid. The company has since ceased operation.

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

Florida

One of the **Florida Attorney General's Office** priorities in 2017 was to process and review more than 7,600 price gouging complaints in the wake of Hurricane Irma. As the storm approached last September, the Florida Governor declared a State of Emergency, triggering a state law that prohibits unconscionable increases in the price of essential commodities such as food, water, fuel and hotel accommodations to name a few. After the attorney general activated the state's price gouging hotline, the agency received more than 7,600 complaints. As of July 1st, 2018, the office has settled by Assurance of Voluntary Compliance (AVC) or consent judgment 35 investigations from the 2016-17 storm seasons. The cases involve the hotel industry, convenience stores, gas stations and others. Over \$300,000 in consumer refunds and price adjustments has been obtained from settlements, with an additional \$165,000 in voluntary refunds paid by Florida businesses who received complaints. In most instances, the state recovered investigative costs and penalties. Pending cases under investigation involve the sale of propane gas, water removal, roofing, storage and bottled water.

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

Ohio

The **Summit County Office of Consumer Affairs** received a complaint last year from a man who ordered and paid for a new handgun from a local gun shop. When it could not locate the gun he wanted, the

shop tried to force him to accept a used gun instead, and refused to return his money, citing its “no refunds” policy. Once the agency intervened, he got a full refund.

If a business can't get the specific item you ordered, it's a breach of contract. You can accept a substitute if you wish, but you don't have to – you can insist on getting your money back regardless of the company's refund policy.

Florida

As a mother and daughter were walking through a mall they were approached by someone from a business that sells skin care products. The mother felt pressured by the salesperson, who repeatedly asked, “Don't you want your daughter to be proud of what her mom looks like?” She agreed to buy \$1,284 worth of products, but when she got home and checked her credit card account, she found she had actually been charged \$1,884. The next day she attempted to return the products, but the business refused to refund her money. **Hillsborough County Consumer Protection Services** persuaded the business to give her money back. In a similar complaint against another company located in a mall, a woman purchased cosmetics for \$3,500 but the business charged her credit card \$7,368. The agency obtained a refund for the \$3,868 overcharge.

Don't allow smooth-talking salespeople to persuade you to buy something you don't really need or want. Depending on the return policy, you may not be able to change your mind and get your money back. If you were charged the wrong amount, however, you are entitled to a refund of the overcharge. Report deceptive sales practices to your state or local consumer agency.

New York

The **New York State Department of State Division of Consumer Protection** received a novel complaint last year from a couple who, while on a cruise, visited a jewelry shop the cruise line had recommended to them at a port of call. They were warmly greeted and plied with free island cocktails as they perused the merchandise. The clerk offered to clean the wife's jewelry as a complimentary service, and the drinks continued to flow. By now thoroughly intoxicated and under pressure to return to the boat before it set sail, the couple bought a ring for \$16,400. The clerk assured them if they did not like the ring they could return it at their next stop, where the business had another store. The next day, under the light of sobriety, they realized the ring was of poor quality and when they got to the next stop they went to the store to ask for a refund. The store refused, citing a restrictive return policy that had not been disclosed to them. Once back in New York, the couple filed a complaint, but since the transaction had occurred in a foreign country, which did not have a law concerning returns, there was nothing the agency could do to help them.

Never buy expensive jewelry on impulse. To be sure you're getting what you pay for, do your homework. Look for information about complaints against the store at the Better Business Bureau, www.bbb.org. Another good resource is the International Gemology Institute, www.igjonline.com, where you can learn about jewelry certification. When you make a purchase, get a detailed receipt that shows what you bought and how much you paid, as well as any certificate or appraisal for the item so you can prove the claims the business made. Be aware if you are in another country and make a purchase there, however, U.S. law will not apply and it may be very difficult to resolve a problem.

Arkansas

A consumer who had recently had brain surgery and needed a service dog purchased a puppy from a breeder without being informed it had serious health problems, including seizures, encephalitis, and a soft spot on its skull. The veterinarian the consumer consulted after the sale said the puppy would

probably only live for a couple of years and was not suitable for a service dog. With the help of the **Arkansas Attorney General's Office**, the consumer was able to return the puppy for a full refund of \$500.

Before you buy a pet from a store or a breeder, ask your state or local consumer agency about your rights if the animal turns out to be unhealthy. You can find information about dog breeders and buying dogs through the American Kennel Club, www.akc.org. For information about cats and cat breeders, visit the American Cat Fanciers Association at www.acfcat.com/.

Florida

In one of the worst cases that it encountered last year, **Pinellas County Consumer Protection** led a multi-agency investigation of two individuals who took deposits from consumers for boats they never delivered. They used worthless checks to pay for motors and other components with which they were supposedly going to build the boats, and their employees were also paid with bad checks. The investigation revealed a pattern of racketeering, and the individuals are now facing 42 criminal charges, including grand theft and dealing in stolen property. Total losses exceed \$275,000.

When you're buying any type of merchandise that will be delivered at a later date, pay with a credit card so you can dispute the charges if you never receive it. Keep order forms, contracts, receipts and other documents about the transaction in case there is a problem and you need them.

Schools

Massachusetts

One of the worst problems that the **Massachusetts Attorney General's Office** dealt with last year was the abrupt closing, in mid-semester, of the for-profit vocational school, American Career Institute, which operated four campuses in the state. The agency's investigation revealed the school consistently lied to prospective students about their prospects for completing the program and finding a job. It also employed unqualified instructors, used inadequate and inappropriate training materials, and broke its promises to provide career placement services. Students incurred thousands of dollars of federal loan debt and were unable to obtain the promised jobs in their fields of study. The agency successfully obtained refunds for the amounts students had paid on the loans and the Department of Education agreed to discharge outstanding loans, a combined savings/recovery of approximately \$30 million.

Before you sign up with a career training school, ask the department of education in your state if there are any licensing or accreditation requirements and whether the school has complied with them. You may also be able to find out if it has received complaints about the school. The Federal Trade Commission offers [tips](#) on what to look for and what to avoid so you can get the education you paid for. If the school misled you or fails to provide the services it promised, your state or local consumer agency may be able to help.

North Carolina

Last summer, the **North Carolina Department of Justice's Consumer Protection Division** investigated the for-profit Charlotte Law School leading to revocation of its license to operate after evidence emerged that it had failed to deliver on its promises to students and failed to make necessary changes to its policies and operations.

Prospective students should carefully review the information schools provide to their accrediting and licensing institutions and agencies, including: student attrition rates, employment rates, tuition levels, and, where relevant, professional licensure/certification exam passage rates. Be suspicious of any school that refuses to provide straight answers about how likely its students are to graduate, pass licensure or certification exams, and get a related job.

Services

Massachusetts

The **Massachusetts Attorney General's Office** reported that it received a new type of solar-related complaint last year – sales of community solar energy. We put this in services instead of home improvement because rather than having solar panels installed on their roofs, these consumers have signed up to receive the benefits of a solar farm that is erected in their neighborhood and is designed to provide electricity to multiple buildings. An increasing number of consumers are complaining they did not understand how they would be billed and, similar to the solar sales issues we described earlier, their energy savings were not as high as they'd been led to expect. Furthermore, if consumers want to cancel, the contracts they entered into often require them to find other people to take their places as customers; otherwise they remain bound to these agreements, which are typically for 20 years or more. The agency has had mixed success in resolving these complaints.

Just as with buying or leasing solar equipment, signing up for community solar energy is a major commitment. Ask your state or local consumer agency if there are any requirements the companies must follow and get information in writing about how any estimates of utility savings are calculated, what the total cost will be, your cancellation rights, what warranties are provided, and how you can unsubscribe or transfer your subscription. If you decide to go forward, make sure everything you've been told is spelled out in a written contract and that you're given a copy. The Solar Energy Industries Association offers guides for consumers at <https://www.seia.org/initiatives/solar-customer-resource-portal>.

Florida

A concerned friend helped an 88 year-old woman file a complaint with **Hillsborough County Consumer Protection** about an A/C business she called to repair her air conditioner. The business installed the unit for her three years earlier. Instead of making a \$600 repair, which should have been covered by the five-year warranty that was still in effect, the business replaced it at a cost of \$7,533 and told the consumer to file a claim with her insurance company alleging that the unit was struck by lightning. When the claim was denied, the woman was forced to go back to work to pay off the debt that she had incurred. The agency helped her get a partial refund of \$3,000 from the business.

If your furnace or air conditioner breaks down, check whether it's still under warranty. If so, the manufacturer will give you instructions on how to have repairs made. If it's no longer covered and there is no one who regularly services it that you can call, check the reputations of local repair companies with the Better Business Bureau and ask friends and relatives who they do business with.

Ohio

The **Ohio Attorney General's Office** received 132 complaints last year from consumers across the country when an Ohio-based company that offered international adoption services lost its accreditation. Many families had been waiting for years to be matched to children through the company; in other cases the children had arrived and were awaiting the post-adoption services the company never provided. The

agency calculated the financial loss to consumers who paid for services they did not receive was nearly \$1.5 million; the emotional toll they suffered is incalculable. It has filed a lawsuit against the company.

The U.S Department of State provides information about international adoptions, including how to find accredited adoption service providers, at <https://travel.state.gov/content/travel/en/Intercountry-Adoption.html>. Even when you work with an accredited provider, however, there can be problems that disrupt or derail the adoption process. Your state or local consumer agency may be able to advise and assist you if the company does not or cannot fulfill its promises.

Maryland

As a member of the county's Business Eviction Response Team, the **Montgomery County Office of Consumer Protection** helps the sheriff's office deal with unclaimed consumer goods when a business closes. In 2017 the agency handled 105 complaints against a long-standing neighborhood dry cleaning business that closed suddenly with many consumers' garments inside – some of them left moldering wet in the washing machines. Without lights and air conditioning, agency staff spent hours at the business organizing the clothing, trying to determine to whom it belonged, and calling the owners to come get it. Items that were not claimed were donated to a local charity.

If a business that has items belonging to you shuts down without making arrangements to get them to you, ask the city or town clerk or the police if they have information about how to reach the owner. Contact your state or local consumer protection agency if you can't find the person or retrieve the items.

Pennsylvania

An increasing number of complaints to the **Bucks County Consumer Protection, Weights and Measures Office** received last year involved cemeteries and funerals. The problems included non-delivery of goods and services consumers had paid for, contract disputes, and failure to make refunds in a timely manner. For example, one consumer complained about purchasing two crypts that turned out to have already been sold to someone else. In fact, though one was empty, the other one was already occupied. The cemetery's explanation was it thought the crypts would be available because the person who originally bought them had been in negotiations to sell them back and planned to move the remains that were in one of them to another area of the cemetery. Apparently those negotiations fell through, however, and the cemetery agreed to refund the consumer's \$28,000 payment.

Handling funeral or cemetery arrangements 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. Don't pay the full amount before everything you were promised has been done.

District of Columbia

An elderly man met with a representative of a local cemetery to discuss pre-planning for cremation. He made it clear he could not make a final decision or enter into a contract until he had discussed the matter with his son. The representative was to follow up with him, but never did, so the consumer was surprised to receive a letter three months later thanking him for purchasing cremation services. Then he began to receive dunning notices for payment. When the **District of Columbia Attorney General's Office** investigated, it discovered the money order for \$166.91 that had been submitted as the consumer's deposit was unsigned and had been obtained from a store near the cemetery's office. Furthermore, the signature on the contract did not appear to be the consumer's. The contract for \$3,338 was cancelled and the investigation is continuing.

It's a good idea to look into funeral services before they're needed. At <https://funerals.org/> you'll find information from the nonprofit Funeral Consumers Alliance about planning funerals and your legal rights, including the right to get an itemized price list and a statement showing the selections you have made. If you're charged for products or services you never agreed to or have other problems with the seller, contact your state or local consumer agency.

California

The worst complaints to the **Los Angeles County Department of Consumer and Business Affairs** last year were against immigration consultants who took thousands of dollars from consumers for services they were not qualified to offer and did not provide. In one case, a woman paid \$10,000 for assistance to prevent her husband from being deported and change his status so he could legally remain in the U.S. The immigration consultant was not bonded or registered with the state, as required. Misleading the consumer into believing he was an attorney, he gave her erroneous legal advice and failed to show up in court. Ultimately, the husband was deported. The immigration consultant was criminally prosecuted by the California Attorney General's Office. He pled guilty to charges of grand theft, attempted perjury and attempted conspiracy to violate the Immigration Consultants Act and is now serving prison time. He must also pay restitution to victims.

Dishonest immigration consultants can do more than just rob people of their money; if they do anything incorrectly with your application, they can damage your chance of success. It's important to know that in the U.S., notaries are not lawyers. Only licensed attorneys or nonprofit organizations that are authorized by the U.S. Citizenship and Immigration Services (USCIS) office can give you legal advice or represent you. For more information go to www.uscis.gov/avoidscams or call 800-375-5283, TDD 800-767-1833.

New York

The **NYC Department of Consumer Affairs** also singled out problems with "Immigration Service Providers" as the worst complaints last year. In July 2017 the agency announced charges against A New Beginning for Immigrants Rights, Inc. and its president, Carlos Davila, for engaging in deceptive and illegal practices. The defendants were accused of preying on immigrants' desperation and fear by falsely advertising "ID4ICE" cards as a "national identification card" that would protect them from deportation and provide immunity from enforcement agents. In reality, these cards, which cost \$50 to \$200, did nothing to protect immigrants. The company also advertised immigration assistance services without including the legally required notice that its consultants were not licensed to practice law. The agency is seeking \$1.3 million in fines.

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

Sharing Economy

Massachusetts

A new type of complaint the **Massachusetts Attorney General's Office** received last year was from drivers for the ride-sharing company Uber. If drivers did not have cars that were suitable for the work, they could lease vehicles from Xchange, which was a subsidiary of Uber. The lease payments were

deducted from the drivers' weekly earnings. However, the leasing company failed to clearly disclose that other costs, such as highway tolls, would also be deducted. Furthermore, sometimes the company neglected to pay the tolls promptly, resulting in late fees that were passed along to the drivers. It also made processing errors that led to drivers being charged for the same late fees multiple times. One driver complained that though his weekly earnings ranged from \$600 to \$1,300, after the deductions he netted between a penny and \$200, leaving him unable to support his family. Some drivers' vehicles were repossessed when their earnings were not enough to cover the lease payments. The agency reached a settlement with the companies who reimbursed drivers a total of \$210,000 and also paid a \$40,000 penalty.

When you drive for a ride-sharing service, you are considered an independent contractor, not an employee, so minimum wage and overtime requirements don't apply. You are entitled, however, to clear and complete information about the terms of your relationship, including how you will be paid and what will be deducted from your earnings, and to get the money that you are owed. If you believe that you have been treated improperly by the service, ask your state or local consumer agency for advice.

California

The **San Francisco District Attorney's Office Consumer Protection Unit** also had complaints last year related to the "gig economy." A number of them were about short-term rental units. For example, one guest complained that when he arrived late in the evening he was unable to reach the host to let him in. He finally found someone else to open the door, but the room was not the same as it had appeared in the listing. He decided to wait outside for the host; at one point a police officer approached him to warn the area was not safe to hang around in. Though he never stayed in the room he was charged for the entire month that he had booked. The agency was able to get the listing site to refund half of his payment.

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

District of Columbia

A different type of problem with short-term rentals arose in the District of Columbia last year when a company that managed two buildings with rent-controlled apartments rented the units out for short stays, depleting the housing available for low and middle-income residents. In a settlement with the **District of Columbia Attorney General's Office**, the company paid \$210,000, which was distributed to current and former tenants who lived in the buildings during the time the short-term rentals were made.

If you are thinking of offering your home or apartment for short-term rentals, look into whether there are any state or local requirements you must meet or limits on what you can do.

Timeshares

Arkansas

A woman had purchased a timeshare in 2005 and found it was difficult to exchange it for stays at timeshares in other locations whenever she desired or to find people who wanted to rent the timeshare

from her, as she had been led to believe she would easily be able to do. She paid to upgrade the timeshare in 2011, 2012, 2013 and 2014 because the salespeople convinced her doing so would resolve these problems. She was also assured she could write off the investment on her taxes, there would be no problem reselling the timeshare for a profit, and she could refinance her purchase contract at any time with her bank, all of which she later found to be untrue. Finally, she decided she'd made a big mistake and demanded a refund. When the company refused, she complained to the **Arkansas Attorney General's Office**. The company contended she had never made any complaints before, had gladly upgraded each time, and must have been "coached" by a third party about what to say. It also asserted she was in breach of her contract for delinquent payments. Fortunately, the agency was able to convince the company to relieve her of all the outstanding charges and cancel the contract with no further obligation, saving her \$47,178.

Timeshare companies often use lengthy sales presentations to wear people down and convince them to buy. Don't be pressured to sign anything, even if they say that today's price won't be good tomorrow. Take the information home and ask yourself: Can you afford it? How does the cost compare to what you normally spend on place to stay when you go on vacation? Do the dates and locations work for you? Be aware you may not be able to switch them as easily as you were told. Check the company's reputation with the Better Business Bureau nearest to its headquarters (go to <https://www.bbb.org/bbb-locator/>). If you decide to buy, be sure you understand the total cost, including any financing. Get all information and promises in writing. Once you sign, you may not be able to cancel.

South Carolina

Complaints to the **South Carolina Department of Consumer Affairs** about timeshares increased in 2017. In many cases the complaints were from seniors who could no longer travel in order to use their timeshares. For example, an elderly couple who had been timeshare owners since 1995 complained that they could no longer get to their timeshare due to financial and medical circumstances. They had paid to upgrade in 2013 during a mandatory owners meeting to access more "points," which would supposedly make it easier for them to find alternatives, but they believed the options had been grossly misrepresented and they had been oversold for their age and financial situation. The agency was able to assist in having their original contract and the upgrade canceled, alleviating them of their loan obligation in the amount of \$117,354.

Own a timeshare you don't want or can no longer use? Avoid companies that ask for fees upfront to sell your timeshare, regardless of whether they succeed, and don't believe them if they claim 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

New York

A resident of the Bronx got into an accident and his vehicle was towed. When he went to get it, the tow company would not honor the receipt he had been given showing that the charge would be \$125 for the towing and \$160 for storage. Instead, it charged him \$1,159. With the help of the **NYC Department of Consumer Affairs**, he got a refund of the difference.

If you believe you were overcharged for towing, pay the fee in order to avoid storage charges, get a

receipt and contact your state or local consumer protection agency for advice.

Maryland

Trespass tows – towing from private property at the behest of the property owners, not the car owners – were the fastest-growing complaints to the **Howard County Office of Consumer Protection** last year. Many of the complaints concerned two companies that had failed to renew their licenses, but continued to tow. As a result of the agency’s investigations, one company paid \$1,475 in consumer refunds and \$10,000 in penalties. The other refused to make restitution and was fined \$9,000. Both companies have stopped operating in the county.

If your vehicle has been towed from private property, look for “TOW AWAY ZONE” signs that provide the name and phone number of the tow company. Call to confirm your car is in the tow yard and ask what the bill will be, including any storage charges, and what forms of payment are accepted. You can also check with the local municipality to confirm the towing company is operating legally and ask whether the rates are regulated and, if so, what the charge should be in your case.

Florida

In addition to trespass tows, consumers may find their vehicles have been booted if they’ve parked on private property without authorization or payment. The **Broward County Environmental and Consumer Protection Division** in Florida received many complaints about “immobilization” last year. One woman’s car got the boot when she put money in the wrong meter – it turned out she didn’t have a leg to stand on. Sometimes even when consumers are at fault, though, the tow company crosses the line. In another complaint to the agency, it took the company that booted the consumer’s car more than an hour to send an employee out after being called. The employee demanded the consumer’s license, and when the consumer refused to hand it over, the employee used profanity and gave him an obscene gesture. The company refunded the money the consumer paid to get the boot removed.

Avoid having your car towed or booted by paying attention to your surroundings. Are there signs posted? Are you parking in an area you are permitted to be? Is it a visitor’s space and is a “pass” required? If you think your car was towed or booted improperly or you were treated unfairly, ask your state or local consumer agency for advice.

Travel and Transportation

Connecticut

A travel agent in Connecticut took deposits of \$650 each from 17 sorority members for a trip to Mexico. Shortly before the departure date, she informed them she’d never booked the trip and their money was gone. To accept the deposits the woman initially used a third-party payment service, but she had the money deposited to her personal account to avoid the processing fees. As the **Connecticut Department of Consumer Protection** investigated, it found some of the consumers had received partial refunds, making a potential criminal case less clear cut. Furthermore, funds from the woman’s business and personal accounts had been seized for unpaid taxes and could not be recouped. Since she had no liquid assets from which to return the money immediately, the agency set a payment plan in which she would repay victims in installments from the paychecks where she was now working. Eventually all of the victims got their money back.

Looking for a reputable travel agent? The American Society of Travel Agents operates a website,

www.TravelSense.org, where you can find “verified travel advisors” who meet a code of ethics.

South Carolina

Since South Carolina was considered one of the prime viewing spots for the August 2017 full solar eclipse, tourists flocked to the state, and the **South Carolina Department of Consumer Affairs** encountered a new type of complaint – bedbugs in hotels and motels. In most cases the agency was able to resolve the problems with the businesses.

Notify the manager immediately if you discover bedbugs in your hotel or motel, and also contact the board of health in the city or town in which it is located as soon as possible. Keep receipts for any expenses you may have in getting rid of them and demand the company reimburse you.

Oregon

Oregon was also a good viewing location for the eclipse, and the **Oregon Department of Justice** received many complaints from consumers who had problems with hotel reservations. One extended family from the state of Washington, which had booked twelve rooms several months before the event, was notified the reservations has been cancelled because they had been made “too early.” By that time there were no hotel rooms available anywhere within a reasonable distance of where the family wanted to be. Another consumer, who planned to travel to Oregon from California for the eclipse, complained that his reservation at a hotel had mysteriously disappeared from the system and no alternative accommodations were offered. The agency generally resolved these complaints by requiring the hotels to either honor the reservations, find alternative accommodations for the consumers, or give them \$500 per room. So in the examples provided, the family got \$3,000 from the hotel and the man got \$500.

When you make a reservation with a hotel or motel, be sure you receive confirmation and keep it in case it’s needed. The state or local consumer agency in the area where the hotel or motel is located may be able to help if your reservation is not honored or there is another problem. For a list of agencies go to <https://www.usa.gov/state-consumer>.

Florida

The worst complaint the **Broward County Environmental and Consumer Protection Division** received last year was from a woman who took a taxi from the Fort Lauderdale airport to a local hotel about three miles away. The driver used a third-party credit card processor for the \$27.10 payment. A few days later, the woman noticed she had been charged \$2,710.99. She immediately contacted her credit card issuer, but her dispute was turned down because she had signed for the charge on the driver’s mobile device. She also made no headway with the payment processing company. Upon receiving her complaint, the agency contacted the owner of the cab company, who offered to return the money minus the payment processing charge, a refund of \$2,000, which the consumer accepted.

Taxis are usually regulated by the municipalities in which they operate. If you’re paying with a credit or debit card, look carefully at the receipt or the information on a handheld device that a driver is using to ensure that the amount is correct before you sign. Contact the taxi regulator or the consumer agency in the area if there are any problems that you can’t resolve with the taxi company.

Utilities

Ohio

The fastest-growing complaints to the **Summit County Office of Consumer Affairs** last year were about consumers' cable bills. The agency received dozens of phone calls from consumers who complained about increases in their Spectrum bills. Some were former Time Warner customers who were moved to Spectrum, others had signed up for service from the company on the basis of television ads that boasted a low rate of around 29.99 per month. After a few months their bill increased by \$20 or even more. They contended the commercial failed to make clear this was a promotional rate that would only last a short period of time. Mediation efforts with the company were unsuccessful.

If you are offered a promotional price for cable service, save the solicitation and note the date and the name of anyone to whom you spoke. Get a copy of any contract you signed and check to see if it accurately reflects the agreement. With companies that provide cable increasingly bundling it with other services, and merging, buying each other out, or morphing into new companies, consumers can be caught in the churn as billing platforms change, new service plans are created, and terms and conditions are revised. If you are faced with choices to make, ask questions to be sure you understand your options. Contact your state or local consumer agency if you need help concerning a misleading offer or a service or billing problem.

Maryland

The **Maryland Attorney General's Office** stepped in to help unit owners and tenants when the power was turned off at a condominium that was behind in its bills after several years because of financial difficulty. The utility company only gave one days' notice and county officials advised the residents they would have to leave because it would be unsafe to stay without power. The agency got the utilities turned on again so that the residents had time to gather their belongings and find a place to relocate. Because of the lack of sufficient notice, the utility paid \$100,000 to those affected. On further investigation, the agency found the utility did not provide proper notice of disconnection in other cases as well, resulting in additional payments of \$1.4 million.

If your utilities have been turned off improperly and you can't resolve the problem immediately, contact your state or local consumer agency for advice about what to do.

Consumer Agencies' Biggest Achievements in 2017

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

Resolving Consumer Problems or Issues

- To address the issue of used car dealers failing to provide consumers with the titles for the cars they have purchased at the time of sale, the **Arkansas Attorney General's Office** began taking the position last year that this is an unfair business practice. Though there is no explicit statutory provision or regulation in that regard, the agency was successful in using this argument to obtain a settlement in one case and plans to use it in several others. Ultimately, it is hoped legislation concerning this issue will be enacted.
- For the **Cape Cod Consumer Assistance Council** in Massachusetts, the fact that one of the volunteers it uses to mediate complaints was the retired CEO of a well-known national company came in handy when it was attempting to resolve a consumer's dispute concerning a retailer-branded credit card. The credit card issuer was totally uncooperative, so the volunteer contacted the CEO of the retail company directly and got the problem taken care of.
- The settlement with Nationwide Insurance Company to resolve concerns related to a serious data breach was the biggest enforcement achievement for the **Connecticut Department of Consumer Protection** last year (see page 53).
- The **Cuyahoga County Office of Consumer Affairs** in Ohio cited its success in getting a deceptive mailing to sell alarm systems stopped as its greatest achievement in resolving a consumer issue last year (see page 31). This was especially gratifying because the agency had no power to force the company to comply with its requests. The follow-up mailing the agency sent to consumers – and that the company paid for – also presented a great opportunity to tell them about the services that the agency provides.
- The most notable enforcement achievement for the **District of Columbia Attorney General's Office** was prevailing in a lawsuit last year against a loan company that attempted to invoke tribal immunity from the District's interest rate cap and licensing requirement (see page 17).
- The **Florida Attorney General's Office** scored a major win for consumers against a company that was engaged in tech support scams (see page 53).
- Last year the **Florida Department of Agriculture and Consumer Services** filed suit against a zoo, Dade City's Wild Things, for violations of state law concerning charitable solicitations (see page 15).
- The **Howard County Office of Consumer Protection** in Maryland cited a notable success in mediating a thorny home improvement complaint. The consumer had given the contractor a \$12,600 deposit but then decided not to go forward with the project. The contractor refused to refund the deposit, arguing there was a valid contract. However, Maryland law provides that home improvement contracts that are not in writing are not enforceable. The contractor contended he provided a written contract, but forgot to have the consumer sign it. He ultimately agreed to give the consumer a full refund.

- Fraudulent immigration consultants are a major concern for the **Los Angeles County Department of Consumer and Business Affairs** in California (see page 47). Last year the agency investigated and assisted prosecutors with bringing several civil and criminal actions which resulted in more than \$74,000 in restitution for consumers. Another notable success for the agency was in enforcing the county's minimum wage ordinance (see page 21), recovering more than \$100,000 owed to employees last year.
- The greatest achievement for the **Maryland Attorney General's Office** last year was getting the power that had been disconnected at a condominium restored and compensation for residents who were affected by the utility company's inadequate notice (see page 52).
- In addition to the settlement concerning force-placed insurance that the **Massachusetts Attorney General's Office** obtained last year (see page 36), another significant enforcement success was a \$1 million settlement against the largest debt collection law firm in the state, Lustig, Glaser and Wilson, which used intimidation and harassment to strong-arm consumers into paying debts. The firm brought more than 20,000 lawsuits against consumers based on inaccurate information or for which there was no substantiation of the debts, and tried to collect from low-income families that were exempt from collection action. As a result of the settlement, the firm must now disclose to consumers that certain income is exempt from collection, and document and verify debts before attempting to collect them. It is barred from filing suit without having an attorney review it to determine there is sufficient evidence to proceed and from using the court system to intimidate consumers who can't afford to pay, and it must cease collection if there is no proof of the debt.
- The most notable success for the **Consumer Assistance Office – Metro West** in Massachusetts last year was its investigation in a complaint from an Uber driver about toll charges that were deducted from his earnings, which helped lead to action against the company by the **Massachusetts Attorney General's Office** (see page 47).
- Resolving multiple complaints against a custom home-builder was the greatest achievement for the **Montgomery County Office of Consumer Protection** in Maryland last year. The builder, who was unlicensed, falsely claimed to have co-ownership or co-venture status with other builders who were properly licensed. He took deposits from consumers, but never broke ground. When they complained, he promised to return their money, but since he failed to put the funds in escrow, he did not have the money to give them. Instead, he gave them promissory notes. To pay off some consumers he sold the same lots repeatedly to others. Consumers who had made plans to move from other areas, take new jobs, and enroll their children based on the promise they would have a home to move into were left in the lurch. After subpoenas for banking records, a review of consumers' documentation, and protracted negotiation, the agency was able to resolve all but one consumer's complaint and obtain nearly \$500,000 in refunds. The **Maryland Attorney General's Office** is assisting the remaining consumer and victims in a neighboring county.
- The action the **NYC Department of Consumer Affairs** in New York brought against a group of car dealerships in Brooklyn was its most significant enforcement achievement last year (see page 14).
- 2017 was the culmination of years of efforts by the Utility Intervention Unit (UIU) within the **New York State Department of State Division of Consumer Protection** to protect customers from abuses and overcharges by energy service companies (ESCOs). These are companies that are allowed to compete with incumbent utility companies to sell consumers electricity and gas

services, though the energy itself continues to be delivered by the utilities. The idea was that this competition would result in lower costs for consumers and more choices for innovative services, but instead it unleashed high pressure and misleading sales tactics. Over the course of 36-months, New York State Department of Public Service DPS staff calculated that residential customers of ESCOs collectively paid almost \$1.2 billion more than they would have paid if they purchased energy directly from their utilities. The UIU partnered with the New York Attorney General to develop expert testimony and litigate on behalf of consumers as part of an administrative proceeding in which the Public Service Commission (PSC) is considering prohibiting these companies from serving residential and small commercial customers and, if so, how such a prohibition should be implemented. The parties have submitted post-hearing briefs and are awaiting the PSC's decision on these issues.

- In addition to its enforcement action concerning a student loan debt relief company (see page 19), the **North Carolina Department of Justice's Consumer Protection Division** intervened in a utility proceeding to oppose Duke Progress' proposed double digit rate increase, arguing it was wrong for consumers to have to pay for the cost of coal ash removal when Duke Progress knew coal ash was toxic and failed to take adequate measures at the time. That matter is still pending.
- The most notable success the **Ocean County Department of Consumer Affairs/Division of Weights and Measures** in New Jersey had in resolving a consumer problem last year was the guilty plea from a contractor who defrauded victims of Superstorm Sandy (see page 26).
- A court decision against satellite giant DISH Network for making telemarketing solicitations to consumers in violation of their do-not-call and robocall rights was the greatest achievement for the **Ohio Attorney General's Office** last year. The suit was initiated in 2009 and included the attorneys general in California, Illinois and North Carolina as well as the Federal Trade Commission. Ohio was awarded \$2,800,000 in civil damages and \$19,908,000 in statutory damages. DISH Network is appealing.
- For **Pinellas County Consumer Protection** in Florida, the greatest enforcement achievement last year was in a case against a contractor who took a total of \$170,000 from seven consumers for a variety of home improvement jobs. He had neither a license nor workers compensation coverage. The work he performed was shoddy, and in some cases he never did any work at all. He also caused damage when a tree limb he cut fell on a power line. Charged with several violations, he was sentenced to one year in jail, two years of community control, and 15 years of probation. He was also ordered to make restitution of \$139,000.
- An investigation by the **San Francisco District Attorney's Office Consumer Protection Unit** in California of a company that accepted a total of \$34 million from consumers for "preorders" of a camera drone that it claimed to be developing and never delivered culminated in a civil action last year for false advertising and unfair business practices. As part of the preorder campaign, the company used a video to show how easy it would be for one person to take spectacular pictures by throwing the camera into the air, when in fact the video was shot using a more professional camera that required two people to operate. The court has ordered the company not to disburse any of the money except to make refunds to consumers while the case is pending.
- The **Utah Division of Consumer Protection** was victorious in two cases taken to trial last year to uphold administrative actions against providers of so-called "ecommerce coaching." The companies made telemarketing calls to sell consumers programs that would purportedly help them make money on the internet, using baseless claims about earnings potential. The agency

successfully argued the companies' activities constituted a business opportunity as defined by state law, and were therefore subject to filing and disclosure requirements.

- A notable success for the **Vermont Attorney General's Office** last year was resolving an issue with JPay, a provider of communications services to correctional facilities. The company offered anyone who used its services on a certain date the opportunity to enter a drawing to win \$1,000. Vermont law, however, prohibits consumers from having to make purchases or pay an entry fee for the chance to win a prize. The company agreed to refund 82 Vermonters who had entered the contest and pay a penalty to the state.

Making Internal Improvements to Improve Operations

- The Public Protection Department in the **Arkansas Attorney General's Office** created Practice Groups for specific areas such as automobiles, real estate, consumer goods, services, utilities, and scams. Their goals are to review and analyze the issues and consumer protection problems in their areas, determine which issues and complaints should be referred for investigation and litigation, establish priorities, promote effective outreach, and forge constructive relationships with other government agencies and groups such as the Better Business Bureau. As the primary "eyes and ears" of the agency's consumer protection mission, the Groups will liaise with outside partners, review and update consumer alerts and educational materials, observe and recommend process changes, and meet monthly to discuss trends, goals and progress.
- As part of its migration to a system of online recordkeeping, the **Cambridge Consumers' Council** in Massachusetts instituted a Written Information Policy last year to comply with state privacy requirements for consumers' personal information.
- Last year the **Cape Cod Consumer Assistance Council** in Massachusetts became completely digitized, and each of the volunteers who mediate complaints is now equipped with laptops. The office also brought a young paralegal student onboard who is fluent in both Portuguese and Spanish and has translated the complaint form into Portuguese. Monthly training sessions for the volunteers on various subjects have been instituted.
- To improve service delivery, the **Connecticut Department of Consumer Protection** began testing online complaint filing last year on a small scale. The goal is to have a system that is easy for consumers to use, enables them to upload supporting documents, and provides them with a complaint tracking number. This year, the department will experiment with providing consumers the ability to check the status of their complaints by logging into the system.
- The **Cuyahoga County Department of Consumer Affairs** in Ohio implemented a computerized complaint reporting and tracking system which will help it manage cases and analyze its work. Prior to 2017 all of the cases were on paper.
- Florida is home to more than 900,000 active military members and 1.5 million veterans. To better serve them and their families, last year the **Florida Attorney General's Office** created the Military Veterans Assistance Program (MVAP), which provides information and assistance with consumer protection-related issues through JAG officers, county veteran service officers, and other agencies and organizations throughout the state.
- Under a new county ordinance regulating companies that operate towing and vehicle-for-hire services, **Hillsborough County Consumer Services** in Florida has instituted a consumer protection compliance service and hired personnel with law enforcement backgrounds to perform compliance checks and investigations.

- Last year the **Howard County Office of Consumer Protection** in Maryland began working with a Korean community organization to better serve first-generation Korean residents, many of whom are elderly. Plans are underway to begin a program in which Korean-speaking volunteers will help the agency handle inquiries and complaint intake from that population.
- The **Los Angeles County Department of Consumer and Business Affairs** in California added new deputy director positions to oversee the major programs that come under it: Consumer Protection, Economic Development, and Immigrant Affairs. Its Office of Immigrant Affairs expanded with additional counselors and launched a new website. It also collaborated with the county public library to create a new website on citizenship.
- Last year the **Maryland Attorney General's Office** developed a comprehensive Military and Veterans Legal Resource Guide that is available on its website and used in its outreach to current and former members of the service.
- The **Massachusetts Attorney General's Office** implemented a new, cloud-based data and complaint management system last year for greater storage capacity and the ability to update records and attach documents more easily. It also created a dynamic online complaint form that enables the system to automatically transmit the complaint to the correct division within the agency. These innovations have significantly streamlined complaint processing.
- In investigating dozens of complaints against a towing company for damaging consumers' cars, the **Montgomery County Office of Consumer Protection** in Maryland discovered there were underlying problems with the company towing cars without authorization from the property owners and failing to accurately notify the county police about the tows. Collecting the necessary statements from property owners was time consuming. To improve the process in this and future cases, the agency developed a template Declaration that investigators can use to record the evidence they find and obtain the information from property owners more easily.
- Last year, recognizing the majority of its cases were complaint-driven and it might be missing bad actors or illegal activities that would merit its attention, the **NYC Department of Consumer Affairs** in New York committed to proactively investigate businesses against which there were no complaints but where there were other indications consumers might be harmed. This led to the cases against Brooklinen (see page 39) and the immigration consultant (see page 47).
- The **North Carolina Department of Justice Consumer Protection Division** began development of a new data management system that would streamline the complaint, investigation, and enforcement process, automate and modernize communications with consumers and businesses, make complaint data more readily searchable, and make the process as paperless as possible. It also successfully applied for grant funding to create a new directorship for its Elder Fraud Prevent Re-Victimization Project.
- In 2017 the Economic Crimes Unit in the **Ohio Attorney General's Office** began using Matrix, a customized case management system, which has made it easier to track assignments and review dockets. Previously the agency had no system specifically designed to manage criminal cases and investigations, and used spreadsheets, which were not easily searchable and not centralized. The system also uploads document templates that enable the attorneys and investigators to use the standardized formats for reports and court motions.
- Last year **Pinellas County Consumer Protection** in Florida started to use the SharePoint platform to share resources among investigators and assist in case tracking. This is an interim step as the agency moves away from a complaint management system that is no longer viable.

- The **South Carolina Department of Consumer Affairs** launched “Project Vector” last year, an internal review of the agency’s collection and use of data in its day-to-day operations. The goal is to identify what data is needed and how it can be better used. In the first phase of the project, the agency has already made more effective use of its data in its legislative efforts and in federal rulemaking comments.
- The **Utah Division of Consumer Protection** created a team of investigators to handle relatively simple cases, expediting action on them and freeing up other investigators to focus on more complex cases.
- The **Vermont Attorney General’s Office** added a new staff position last year, a Small Business Advocate, who helps businesses navigate state government and comply with Vermont law. Before outlining these responsibilities, the agency engaged in a statewide listening tour to get input from businesses about their needs.
- The **Wisconsin Department of Agriculture, Trade and Consumer Protection** created a Consumer Fraud Task Force in partnership with the Federal Trade Commission, other state and federal agencies, and organizations such as AARP and the Better Business Bureau to coordinate efforts to fight fraud.

Undertaking New Public Outreach Efforts

- Last year the **Arkansas Attorney General’s Office** updated its www.ArkansasAG.gov website. The redesigned and mobile-optimized site includes a Latest News section and incorporates Twitter and other social media feeds to provide information about what the agency is doing. The search capabilities have been enhanced, and there are more videos and podcasts on the site, along with language translation options, FAQs, educational materials, alerts, trainings and tips. Furthermore, using funds from a settlement, the agency has opened a branch office in the fast-growing northwest part of the state to improve its accessibility and outreach efforts.
- The **Broward County Environmental and Consumer Protection Division** in Florida created a Twitter account at @BrowardECP to provide information to residents, businesses and visitors.
- The **Bucks County Consumer Protection, Weights and Measures Office** in Pennsylvania reached out to small businesses last year with information about scams that may target them. The agency made presentations to members of local chambers of commerce and distributed materials that explain how to spot and avoid various types of fraud.
- The **Cambridge Consumers’ Council** in Massachusetts completely redesigned, updated and streamlined its website last year. It created public service announcements for the local cable channel on identity theft, alternative energy providers, and the state Lemon Laws. It also conducted a workshop on the Lemon Laws for students in high school driver’s education programs in partnership with the state consumer affairs office.
- The **Cape Cod Consumer Assistance Council** in Massachusetts established a new outreach program, partnering with local law enforcement, legal services offices, the district attorney’s office, and social service agencies, to make people aware of the assistance it provides. It is also conducting presentations to small businesses about how to spot and avoid fraud. The office is using “My Business Google” to help get the word out about its upcoming events.
- In an effort to increase communication with a diverse population, the **Connecticut Department of Consumer Protection** translated its booklet about the state Lemon Law into Polish.

- The Scam Squad the **Cuyahoga County Department of Consumer Affairs** in Ohio launched in 2016 initiated new projects last year to encourage people to report scams, get that information to the right agencies, and detect trends to alert the public about them. For instance, the Scam Squad's police members created "visor cards" officers can keep in their cruisers and at the intake desk. One side of the cards provides information about the provisions of Ohio law that relate to fraud and the enhanced penalties when victims are elderly or disabled, the other side shows agencies to which the officers can refer victims for help. To make referrals even easier, police can tick a box on a companion tear-off pad to direct a referral. Scam Squad members are now designing a similar product for social workers.
- The **District of Columbia Attorney General's Office** issued press releases last year to alert consumers about scams involving utility payments, taxes and immigration services.
- Based on input from teachers at a local high school, the **Fairfax County Department of Cable and Consumer Services** in Virginia changed the program it presents to students about how to protect themselves in the marketplace (purchasing cars, renting apartments, applying for loans, etc.). In the original program, agency staff conducted a quiz to test students' consumer knowledge and then showed a PowerPoint presentation. The teachers suggested a more interactive, "hands on" lesson would work better with today's high school students, so the agency developed a program that includes ten "real life" case scenarios. The students break into small groups, each tasked with reviewing a scenario and trying to correctly answer questions related to it. The groups then report back to the whole class and a discussion follows. Students became invested in their scenarios and were surprised in some cases that the applicable law did not provide for better resolutions. The new program has received very positive feedback.
- In 2016 and 2017 the Federal Trade Commission's complaint statistics showed Florida was the #2 state in the U.S. for reports of identity theft. Last year the **Florida Attorney General's Office** released an Identity Theft Resource Guide that offers a wealth of information about the many forms of identity theft, how consumers can protect their personal information, and the steps they should take should identity theft occur. The guide is available online and distributed in print form at outreach events.
- Last year the **Florida Department of Agriculture and Consumer Services** reviewed all of its educational and outreach materials, updating them as necessary and making design changes for a consistent look and style. It used these materials at many events, including at four consumer protection fairs it hosted and at the state conventions of the Florida Lions Club and the Florida Federation of Women's Clubs.
- **Hillsborough County Consumer Services** in Florida created new rack cards and public service announcements last year to inform the public about its new compliance service to ensure tow companies and businesses that offer vehicles-for-hire adhere to county requirements.
- Under a municipal ordinance, the **Jacksonville Neighborhoods Department Office of Consumer Affairs** in Florida provided posters about human trafficking to all bodyworks, massage, tattoo and adult entertainment businesses in the city to make workers aware of their rights and where to go for assistance. These posters, in both English and Spanish, must be displayed in conspicuous areas of the businesses. The agency used a variety of media to make the public aware of the issue and this requirement.
- The **Kansas Attorney General's Office** used a traveling exhibit created by the American Bar Association to commemorate the 800th anniversary of the Magna Carta in its public outreach last year. In partnership with the chief judges in judicial districts around the state, the agency

arranged to have the exhibit displayed in courthouses, and plans to expand that effort over the next few years. The exhibit was also displayed in libraries. Many school classes made field trips to it. The goal is to promote public awareness of and appreciation for the rule of law.

- The **Los Angeles County Department of Consumer and Business Affairs** in California launched several new outreach programs last year. Its Center for Financial Empowerment collaborated with the City of Los Angeles, United Way of Greater Los Angeles, Citi Community Development, and Koreatown Youth + Community Center to hold free tax preparation events, which were booked solid during the tax season. The agency conducted an “Honest Work, Fair Play” outreach campaign which included webinars for business owners about the county’s minimum wage requirements in partnership with the Los Angeles Business Federation. It also reached out to small businesses to increase awareness of the services the agency and other county departments can provide to help them thrive. In addition, the Office of Immigrant Affairs implemented “LAC4YOU,” a public awareness campaign to inform immigrants about how the agency can help them. The campaign used many forms of media including bus advertising, a telethon with a major local Spanish-language TV network, and live programs on social media.
- The **Louisiana Attorney General’s Office** conducted a new outreach initiative last year, the Drug Take Back Box Program, to help fight the opioid epidemic. In collaboration with Blue Cross and Blue Shield of Louisiana and the National Association of Drug Diversion Investigators, the agency is providing boxes in which people can dispose of unused or expired prescription drugs to sheriff’s offices and police departments across the state. It also partnered with the Louisiana Ambulance Alliance and Amphastar on a campaign, www.EndTheEpidemicLA.org, to offer information and resources to people who are struggling with opioid addiction and their families.
- As part of a statewide website upgrade last year, the **Massachusetts Attorney General’s Office** overhauled the consumer content on its site to provide easy-to-use information and access to other agencies that might be appropriate resources for various kinds of problems. Other initiatives included hosting Debt Collection Clinics with legal aid partners, which enable consumers who are being sued for debts to meet with attorneys for advice and assistance, and holding Wage Theft Clinics in which workers can speak with private attorneys to discuss their situations and get help with writing letters, filing complaints, and taking other actions.
- In an initiative to reach young adults with consumer information, the **Consumer Assistance Office – Metro West** in Massachusetts set up a table once a month in the cafeteria at a local college. It offered food and gift certificates to entice students to stop by.
- The **Montgomery County Office of Consumer Protection** in Maryland launched “Language Friendly Hours” last year to enhance its outreach. Since the agency has several Spanish-language speakers on staff, the focus of this program was to recruit volunteers who speak Korean, various Chinese dialects, French, Igbo, Russian and Vietnamese to help the agency provide targeted consumer education and handle consumers’ inquiries. Establishing a schedule for when the volunteers are available has helped the agency plan its outreach to these populations.
- The **NYC Department of Consumer Affairs** in New York began an outreach campaign last year targeting neighborhoods with the most complaints about used car dealers and the highest use of high-cost loans to educate consumers about the rise of predatory lending in the industry. The campaign used multilingual ads on bus shelters, telephone kiosks, and WiFi kiosks, as well as in community and ethnic newspapers, on radio, and online. In addition, the agency conducted 89 presentations to more than 3,400 New Yorkers and distributed two publications, Getting Your Finances in Gear to Buy a Used Car, and the Used Car Buyers Guide, to give consumers

information about how to shop wisely for second-hand vehicles, their rights when arranging for auto financing, and the help available to them from the City.

- The **New York State Department of State Division of Consumer Protection** collaborated with the New York State Home Builders Association to educate families at home shows in Rochester, Binghamton and Utica about the importance of securing furniture to keep children safe from tip-overs. It also provided this information in other venues such as New York National Guard pre-deployment events.
- The **North Carolina Department of Justice's Consumer Protection Division** organized a scams and frauds awareness campaign to help educate senior citizens about common ways people try to steal their personal information or money during the holidays. Older citizens are often targeted by scammers because they may be more vulnerable to believing that a scam is real. The campaign included a teletownhall and social media and online content, created in partnership with several state agencies and nonprofit partners focused on protecting North Carolina's older citizens.
- The **Northwestern District Attorney's Office Consumer Protection Unit** in Massachusetts developed an interactive electronic game on financial literacy, which it used with high school students last year. The agency has events scheduled this year to play the game at senior centers.
- Last year the **Ohio Attorney General's Office** held its first CyberOhio Business Summit. Hundreds of small businesses attended to discuss the cyber threats they face and learn how they can proactively protect the data that they hold and minimize the risk of a breach.
- The **Oregon Department of Justice** issued alerts last year to help consumers avoid problems in connection with the full eclipse of the sun. One was a warning about glasses being sold to view the eclipse but offered no protection for consumers' eyes, the other advised consumers who were booking hotel rooms to confirm their reservations, as the agency had begun to receive complaints weeks before the event (see page 51).
- Though Pinellas County, Florida was mercifully spared a direct hit from Hurricane Irma last year, there was plenty of damage. **Pinellas County Consumer Protection** took proactive steps before the storm to alert consumers about the potential for price gouging and disseminated information after the storm, in English and Spanish, about insurance claims, unlicensed contractors and other issues. The agency worked with the county's Marketing and Communications Department to increase its social media presence before, during and after the storm and to spread the word about consumers' rights, how to protect themselves, and where to report violations.
- To fight fire with fire, the **San Francisco District Attorney's Office Consumer Protection Unit** in California began to use robocalls last year to warn consumers about scam robocalls. The response has been largely positive.
- Last year the **South Carolina Department of Consumer Affairs** partnered with the Lieutenant Governor's Office on Aging to deliver the agency's scam guide, "Ditch the Pitch," to an estimated 9,000 consumers statewide who are served by the home delivered meal program.
- The **Summit County Office of Consumer Affairs** in Ohio expanded the use of its financial education PowerPoint program, Smart Money Choices, to target more audiences such as seniors, veterans, and at-risk youth. The agency also customized the program to change the length and other features to fit the audiences. It is now developing a program on energy use called Smart Home Choices.

- The **Utah Division of Consumer Protection** participated in a Stop Fraud Utah initiative in partnership with the Securities and Exchange Commission, the FBI, U.S. Attorney's Office, Internal Revenue Service, state securities regulator and other agencies. Events for consumers were held in Salt Lake, Utah and Washington counties.
- The **Vermont Attorney General's Office** embarked on an initiative called AGO in Your Community, which is designed to encourage all divisions of the agency, including those that are not typically public-facing, to provide various forms of useful community outreach. The Consumer Protection team has engaged in many innovative projects. It instituted the VT Scam Alert System in partnership with Vermont Emergency Management to warn residents about scams by phone recording, text message or email. It launched an informational blog, ramped up its social networking involvement, and began a program called Vermonter of the Month in which an individual or organization is recognized for service to the community. Its Scam Busters effort partnered with local wire transfer companies and retail location money transfer agents to warn consumers who are about to send money through that means about fraud. That program has resulted in more consumers contacting the agency to get advice and report scams.
- Following the Equifax data breach, the **Wisconsin Department of Agriculture, Trade and Consumer Protection** joined with representatives of the Wisconsin Bankers Association and a local news station in a Live Facebook streaming event to answer consumers' questions, provide guidance about how to respond, and educate consumers about safeguarding their personal information.

Methodology

This report is based on a survey of state and local consumer agencies. These agencies handle a wide range of consumer issues, and this report is intended to provide insight into the complaints that consumers made to them in 2017. CFA did not survey federal agencies or agencies that only deal with one issue, such as securities, nor did it conduct a random survey of consumers. Therefore, this report does not purport to measure all of the problems that consumers encountered in the marketplace last year. The survey was conducted from February to June 2018 and covers a one-year period, in most cases January through December 2017 (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).

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

The survey asked respondents to list the top ten complaints that their agencies received during the survey period, the worst complaints, the fastest-growing complaints, and new types of problems that consumers reported. There is no uniform set of complaint categories that all agencies use. Some agencies use general complaint categories, while others break complaints into more specific categories. For instance, some record all car-related complaints in “auto,” while others use separate categories for new car sales, used car sales, auto repairs, auto leasing, and towing. In the report, complaints were grouped under general subject headings as necessary. This year CFA created a new category, “communications,” for complaints about telephone and internet service, which were previously in “utilities.” Complaints about gas, electric, water and cable service remain in that category.

CFA made two other changes: instead of asking what new laws are needed to better protect consumers, CFA asked what new consumer protections had been enacted in agencies’ jurisdictions last year; and rather than asking a general question about agencies’ biggest achievements, CFA specifically asked them to describe their greatest achievements in resolving a consumer problem or issue, improving their internal operations, and undertaking public outreach.

Finally, CFA eliminated the question about the agencies’ biggest challenges, since the answers were always the same: keeping up with the demand for their services; changes in the marketplace; the evolving nature of fraud; and reaching an increasingly diverse population. When asked how they met those challenges, agencies typically cited cross-training staff, using volunteers, automating operations, using new media platforms, and working in partnership with other agencies and community groups.

Thirty-eight of the forty agencies that participated in the survey provided the number of complaints they received last year. This does not include the number of inquiries they received. Thirty-eight agencies also provided the amounts of money they recovered and saved for consumers. It is important to note that the number of consumers who benefitted from agencies’ enforcement actions is often higher than the number of complaints they received. Additionally, these statistics do not include the amounts that people avoiding losing because of the advice that these agencies provided or the savings to courts and businesses due to their informal complaint resolution efforts.

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

Appendix A
Agencies Participating in the 2017 CFA Consumer Complaint Survey

Arkansas

Arkansas Attorney General's Office
www.arkansasag.gov

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
<https://oag.dc.gov/consumer-protection>

Florida

Broward County Environmental and Consumer
Protection Division
www.broward.org/consumer

Florida Attorney General's Office
www.MyFloridaLegal.com

Florida Department of Agriculture and Consumer
Services
www.floridaconsumerhelp.com

Hillsborough County Consumer Protection Services
www.HCFLGov.net/Consumer

Jacksonville Neighborhoods Department Office of
Consumer Affairs
<http://www.coj.net/consumeraffairs>

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.georgia.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 Protection
www.howardcountymd.gov/consumer

Maryland Attorney General's Office
www.marylandattorneygeneral.gov

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

Massachusetts

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

Cape Cod Consumer Assistance Council
www.consumercouncil.com

Consumer Assistance Office - Metro West
www.caomw.org

Massachusetts Attorney General's Office
<https://www.mass.gov/orgs/office-of-attorney-general-maura-healey>

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

Montana

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

Nebraska

Nebraska Attorney General's Office
<https://protectthegoodlife.nebraska.gov/>

New Jersey

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

New York

NYC Department of Consumer Affairs
www.nyc.gov/dca

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

North Carolina

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

Ohio

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

Ohio Attorney General's Office
www.OhioAttorneyGeneral.gov

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

Oregon

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

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

Utah

Utah Division of Consumer Protection
<http://consumerprotection.utah.gov>

Vermont

Vermont Attorney General's Office
<http://consumer.vermont.gov>

Virginia

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

Virginia Attorney General's Office
www.oag.state.va.us

Wisconsin

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

Appendix B
Tips for Consumers from the 2017 CFA Consumer Complaint Survey Report

Auto

Only do business with auto repair shops that you know and trust or that have good reputations based on other people's experiences. If you have any doubts about the diagnosis of your car's problem, bring it to another shop for a second opinion. Stuck somewhere with no choice but to have the repairs made? Be sure to get an itemized bill and ask for the old parts back to show your own mechanic afterwards.

Auto repairs may take longer than expected because the shop has trouble getting the right parts or the mechanic discovers that additional work is needed. Keep in touch with the shop and make notes about the dates of each conversation, who you talked to, and what was said. You may want to check with parts suppliers, the car manufacturer or another repair shop to ask if what you are being told makes sense. If you think that you're being strung along, ask your state or local consumer agency for help.

When you're buying a car, read the contract and any financing agreement carefully to make sure you understand the terms and cost of the deal. If there are charges for options that you never agreed to and don't want, tell the dealer to remove them or you'll walk away.

It can be risky to buy a used car sight-unseen. Before you commit, check the vehicle out in person and arrange to bring it to a mechanic you trust to give it a thorough inspection.

Buying a used car that you haven't seen in person and had checked out is risky enough – buying it in another state is even riskier. Depending on the circumstances, the transaction may not be covered by the laws in your state or the state where the seller is located, and it may be impractical and costly to take legal action. Ask your state or local consumer agency for advice before you make the purchase.

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

Extended warranties aren't usually worth the additional cost and don't provide much more protection than you already have under the car warranty and your insurance coverage.

Whether you're buying a car or leasing it, read the contract carefully to make sure you know what you're getting and how much you're paying. Don't be rushed or pressured, ask questions, and if there is anything you still don't understand, show the paperwork to someone you trust before you sign.

When you're financing a car through the dealer, don't just focus on the amount of the monthly payments. Look through all of the paperwork to confirm that the price of the vehicle is correct, the interest rate is what you were told it would be, and the total cost is what you were led to expect.

There are big differences between leasing and buying a car. While the monthly payments for leasing may be lower than the payments on a car loan, the total cost of the lease may be higher. Leases often limit how many miles you can put on the car; if you go over you will pay a penalty. You may also be required to maintain the vehicle in good condition, and if there is excess wear and tear when you turn it in, you'll be charged for it. Be sure you know if the contract is for a purchase or lease before you sign it. For the pros and cons of leasing see www.consumerreports.org/buying-a-car/pros-and-cons-of-car-leasing/.

Be careful if you're suddenly asked to make changes to an auto loan agreement or to sign an agreement with a new lender. Ask your state or local consumer agency about any legal requirements and protections that may apply to the situation.

Thinking about trading in a car that you still owe money on? Since it's almost always cheaper to repair a car than to replace it, you might be better off financially if you wait until you can pay off your existing car loan before you buy another vehicle. But if you can't delay because of safety issues, a growing family or other reasons, get the dealer's promise to pay off the loan on your trade-in in writing and follow-up with your lien holder within 30 days of signing the contract to confirm that the promise has been kept. If it hasn't, your state or local consumer protection agency may be able to assist you.

If you're looking for a car that fits very specific needs, do your own research rather than relying on what the dealer tells you. Look online to see if you can find the owner's manual for the make and model you're considering. The auto manufacturer may also be able to answer your questions.

Charities

Many states require charities to register and provide information about their operations. If you have questions about a charity's fundraising activities or you suspect that there may be wrongdoing, contact the appropriate agency in your state. The National Association of State Charity Officials provides a list of charity regulators and other information at www.nasconet.org/resources/.

Communications

Looking for the most economical wireless plan to use when you're traveling? The choices can be confusing. Look for information on your mobile phone company's website about the options that it offers and call or chat online with a customer service representative to make sure that you understand what countries are included in the plans, what the charges are, and whether there are limits on the number of minutes, times of day or other factors that affect the cost. There are also calling apps that advertise low international rates, with no contracts. Read the terms very carefully before downloading them.

Phone or internet not working? Being without these vital services can cause real hardship for consumers and businesses. Contact your service provider, keeping a record of the date and who you spoke with. If the problem persists and you can't get it fixed, your state or local consumer agency may be able to help.

When you see offers for internet service, read the fine print. There may be limitations or exceptions concerning the speeds or other features of the service. If you have a choice of internet service providers in your area, check online review sites to see if there is information that you may want to consider in making the decision which one to sign up with.

Credit/Dept

Payday loans are very expensive and can trap you in a never ending cycle of debt. Be sure you understand how the loan works, how much it costs, and if that kind of loan is legal where you live. Even if the lender only operates online, the laws in your state apply. For more information about payday loans go to <https://www.consumerfinance.gov/ask-cfpb/category-payday-loans/other-payday-questions/>.

Need money for an unexpected expense? Ask your bank or credit union if you qualify for a small loan. To provide yourself with a financial cushion and be able to make major purchases in the future, set aside as much money as you can on a regular basis. Even small savings add up over time. Learn how to create and stick to a savings plan at <https://americasaves.org/for-savers/make-a-plan-how-to-save-money>.

Keep an eye out for collectors who refuse to provide their identity or the name of the entity on whose behalf they are collecting.

Many states limit fees for debt settlement services. While there is no federal fee cap, federal rules prohibit debt settlement and other for-profit debt relief services from charging fees until they've actually obtained a satisfactory solution for consumers. There are some exceptions; see information at www.ftc.gov/bcp/edu/pubs/consumer/credit/cre02.pdf.

Taking out a student loan is a big financial commitment. Read the paperwork and ask questions if anything is not clear. You might want to consult with a lawyer or other trusted advisor to help you understand the terms of the loan and decide if it is suitable for your situation. For information from the Consumer Financial Protection Bureau about the choices you have to pay for college, go to <https://www.consumerfinance.gov/consumer-tools/student-loans/>.

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

In some states it is illegal to charge upfront fees for debt relief services. Stay in touch with your lender for the best options on managing your student debt. Also, monitor your credit and understand the upsides and downsides of loan consolidation.

Need help modifying your mortgage or avoiding foreclosure? For information about your options and assistance 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.

The National Mortgage Settlement offers relief to certain consumers, including principal reductions, refinancing and payments to those who lost their homes to foreclosure. For information about who is eligible and what assistance is available go to www.nationalmortgagesettlement.com.

Monitor your credit record so you won't be surprised by information that could affect your credit score and prevent you from getting a loan. You can request your credit report from each of the three major credit reporting agencies for free once every twelve months. Go to www.annualcreditreport.com or call 877-322-8228. In some states, you may have the right to additional free credit reports.

When you co-sign a loan, you're not just vouching for someone's character or reliability, you're taking responsibility to pay the entire debt. Learn more about co-signing an auto loan from the Consumer Financial Protection Bureau at <https://www.consumerfinance.gov/ask-cfpb/i-was-asked-to-co-sign-financing-for-a-car-what-am-i-being-asked-to-do-and-what-does-this-mean-for-me-en-813/>.

Title loans, like payday loans and other short-term loans, are very expensive, and you could lose your car if you don't make your payments.

Pawning the title to your car is an expensive and risky way to borrow money. If you don't pay the money back when it's due, your car could be snatched away from you. So you could lose what you've invested in your vehicle plus your means of transportation.

Employment

Workers are legally entitled to get the wages they are owed. If you believe that you are being shortchanged by your employer, don't be afraid to stand up for your rights. Ask your state or local consumer protection agency where to go for help.

Fraud

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

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

The Internal Revenue Service doesn't contact taxpayers via email, text messages or social media channels to ask for personal or financial information or to demand payment. Report suspected IRS imposter scams to the Inspector General at the U.S. Treasury at www.treasury.gov/tigta/contact_report_scam.shtml.

Legitimate companies don't hire consumers to receive payments from their customers and send it to them. Fraudsters do, because it helps them cover their tracks. You won't get the pay that you were promised, and you could be charged with a crime and having to repay the scammers' victims.

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.

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

Using a money transfer service is like putting cash in an envelope and mailing it to someone. That's why it's the preferred payment method for fraudsters. They pick the money up quickly, in cash and often using phony identification, making it impossible to trace them. These services should only be used to send money to people whom you know personally.

Never let anyone who contacts you out of the blue have access to your computer. If while browsing on the internet, you receive a pop-up window warning you that your computer is infected or there is an "error" and you must call a number or click a link for tech support help, press Control+Alt+Delete, and use the Task Manager to close out the pop-up window. Do not click a link, call the number listed or attempt to use the "X" in the corner to close the pop-up. Learn about the "tech support scam" at <https://www.consumer.ftc.gov/articles/0346-tech-support-scams>.

Businesses as well as consumers need to know how to protect themselves from online scams and keep their computers secure from hackers, malware and other threats. The Federal Trade Commission offers good information for everyone at www.onquardonline.gov.

Fuel

Gasoline sales are regulated to make sure that consumers are getting the quantity and the octane that is displayed on the pumps and that the gas is not adulterated. If you suspect that gas you purchased was bad or that pumps aren't working right or are labeled incorrectly, ask your state or local consumer agency where you should report the problem, and save the receipts and any other documentation.

Health Products/Services

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

Some states require health clubs to allow members to cancel with no penalty and obtain refunds under certain circumstances, such as when a customer moves more than a certain distance away or can no longer use the facility because of a significant illness or injury, or when the club fails to provide the services it advertised. But the personal trainer industry is largely unregulated, so it is important to read the contract for these services carefully before signing to make sure you understand the terms and conditions. As with health clubs, the best protection is to find a trainer that you can pay on a per-visit or monthly basis, without having to commit to a long-term contract.

Before going for tests or treatment by a healthcare provider you aren't familiar with and that you weren't referred to by your doctor, check with your state medical board to find out if the provider has to be licensed, whether any requirements that apply have been met, and if there have been disciplinary actions for problems. The Federation of State Medical Boards provides a list of state medical boards at <https://www.fsmb.org/contact-a-state-medical-board/>. Ask your health insurance company in advance about coverage and whether you will need to submit the bills or the provider should do so.

Paying with a credit card for health products or services that will be delivered in the future gives you extra protection in case you don't receive them because you have the right to challenge the charges. Credit card issuers will usually refund the money to your account even if it is past the usual time limit for disputing the charges, as long as you notify them as soon as you discover the problem. If you arranged for automatic payments from your bank account, contact your bank immediately to stop them.

Home Improvement/Construction

Your state or local consumer agency can tell you if the work that you want done requires a licensed or registered contractor. While having a license or registration is no guarantee that the contractor will do a good job, failure to comply with the requirements could be a sign that the contractor is irresponsible.

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.

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

Whether it's a dock for your boat or a garage for your car, if you want to have something built, get a few estimates and references from contractors. Look at the work that they've done for others and ask those people about their experiences with the contractors before you decide which one to hire.

If a contractor has left you without a roof over your head or with a hole in the ground where your new house should be, you may need to fire the company and hire a new one. In some states consumers can apply for reimbursement from a home improvement guaranty fund if they can't resolve problems with their contractors, but to be eligible there may be a requirement that the contractor was duly registered or licensed – a good reason to ask your state or local consumer protection agency what you need to know before you sign on the dotted line for the work.

When you are buying a home, condominium, or vacation home that hasn't been built yet, consult with an attorney about whether a performance bond or other protections can be built into the sales agreement.

Have a problem with work that was done on your home? Try to resolve it directly with the contractor and if you don't succeed, ask your state or local consumer agency for advice and assistance.

Sometimes it is helpful to get a second opinion about a problem with home improvement work. Get a written statement and a receipt for any payment you had to make for the inspection.

Never pay the full amount for home improvement work upfront. You will have no leverage if the contractor doesn't complete the job or the work is shoddy. If you plan to make an insurance claim for the work, contact your insurance company directly before you sign the agreement with the contractor to confirm it will be covered and ask if there are any procedures that must be followed.

States are beginning to enact laws concerning solar sales and leases. Don't be pressured into signing a contract on the spot. Ask your state or local consumer agency if there are any requirements that the companies must follow. Next, insist the company provide you with information in writing about how any estimates of utility savings are calculated, what the total cost will be including maintenance, your cancellation rights, what warranties are provided, and what happens if you sell your home or no longer want community solar power. If you decide to go forward, make sure everything you've been told is spelled out in a written contract and that you're given a copy. The Solar Energy Industries Association offers guides for consumers at <https://www.seia.org/initiatives/solar-customer-resource-portal>.

Home Solicitations

It's illegal for a salesperson to call if your phone number is on the National Do-Not-Call registry and the caller is not from a company that you have done business with before. It's also illegal for companies to make prerecorded sales calls to you – “robocalls” – unless you agreed in advance, in writing, to receive them. If a company is violating your telemarketing rights, chances are it's a scam. Legitimate businesses play by the rules. For more information about your telemarketing rights under federal law go to https://consumerfed.org/consumer_info/understanding-your-telemarketing-rights/. You may also have telemarketing rights under state law; ask your state or local consumer agency.

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

If you're approached by a company selling alarm systems, don't let a salesperson into your home unless you're interested and you have first asked for and received written information about the offer, including all costs. Check out the company with the Better Business Bureau; if there have been lots of complaints, steer clear! Other danger signs to watch for include: salespeople showing up at your door unexpectedly; claims you have been specially selected for this offer; the use of scare tactics about crime in your area; and pressure to sign a contract immediately. If the company says a neighbor referred it to you, check

with that person directly. Also be suspicious if the company tells you it has taken over your existing alarm service account. Ask your current alarm company if that is true. If you agree to buy an alarm system, get a written contract that spells out all the terms and costs. For purchases made at your home, the company must also tell you about your right to cancel within 3 business days under federal law and give you that information in writing. No work should begin until after the cancellation period has ended.

Household Goods

All consumers, including people who are incarcerated, should be able to count on the appliances they buy to operate properly and to be repaired or replaced if they don't.

When you're buying furniture or appliances, don't rely on what the advertisement or the salesperson says about the guarantee. Get it in writing and read it carefully before you make the purchase. Also pay attention to any return policies posted in the store. Your state or local consumer agency can answer questions about your legal rights.

Resist pressure to buy extended warranties. They usually have all sorts of exclusions and limitations and don't provide much more protection than the manufacturer's warranty that comes with the appliance.

In addition to the manufacturer's warranty, you may also be able to insist on repair or replacement if your state law provides you with "implied warranty rights" to expect that a product will work as it should for a reasonable period of time.

If an appliance is defective, don't take it lying down – insist it be repaired or replaced. Take pictures of visible defects, and if necessary pay an independent repair shop to assess the problem and give you a written statement.

It's aggravating when appliances break down and even more aggravating if you are being bounced between the manufacturer, the retailer, and the company that handles the warranty claims. Make notes of who you spoke with and when, and contact your state or local consumer protection agency for help.

Identity Theft

If you're an ID theft victim, you can get customized information about the steps you should take at www.identitytheft.gov. You can also report identity theft through that site. The information goes into a database that local, state and federal government agencies can access to aide their investigations.

While the federal government has not set general requirements for businesses to secure the personal information they hold about consumers, states are starting to do so. The Federal Trade Commission and state agencies can also take action if businesses don't live up to the promises they make about securing people's data or if their security practices are unfair or deceptive.

Most states require residents to be notified about data breaches, and in some cases, to be provided with certain types of assistance. Some states also give ID theft victims the right to freeze their credit reports at no charge to make it harder for fraudsters to open new accounts using their stolen personal information. As of September 21, 2018, federal law will require the credit reporting agencies to provide free freezes on request for all consumers, whether they are ID theft victims or not.

Insurance

When hurricanes, wildfires, earthquakes or other disasters strike, consumers have enough problems to deal with without having to wrangle with their insurance companies. Keep records of when you contacted your insurer and who you spoke to, when the adjuster came, and any documentation that you have provided. Try to get the insurer's approval to hire someone if it's necessary to make repairs immediately to prevent further damage. If you can't get a timely response from your insurer, you might

need to pay for an independent adjuster or emergency repairs yourself. Your state or local consumer agency may be able to provide advice and assistance.

A mortgage always requires the borrower to maintain adequate insurance on the property to protect the lender's interest. Under the terms of the mortgage, if the policy lapses or is cancelled, the lender can buy insurance and charge the borrower for it, but it's improper to "force" insurance on the borrower when it's not necessary. The National Association of Insurance Commissioners provides information about force-placed insurance at https://www.naic.org/cipr_topics/topic_lender_placed_insurance.htm. You can find your state insurance department at this link: https://www.naic.org/state_web_map.htm.

Internet Sales

Using a credit card is the safest way to pay for online purchases because federal law gives you the right to dispute the charge within 60 days of receiving the first bill on which it appears if it's for the wrong amount, you never got the merchandise, or what you got is different than what you were promised. If you don't discover a problem with an order until after that 60-day window, you may have legitimate beef with the seller, but your ability to get a chargeback (refund) from your credit card issuer will depend on its internal policies. For the strongest protection, look for online retailers that promise delivery sooner than 60 days and contact your credit card issuer right away if there is a delay in shipping or other problems.

When you are looking at activities you can book online, such as balloon rides, helicopter tours, and sky diving, read the terms and conditions carefully. Is the seller providing the activities itself, or acting as a middleman? Is there a way for you to confirm your booking directly with the provider? How will you get a refund if for any reason the activities aren't provided? Look for reviews and complaints about the seller, and pay with a credit card so you can dispute the charges if there is a problem.

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

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

The third-party websites through which you can book flights, cruises, car rentals, and accommodations with dozens of different companies don't necessarily take responsibility if something goes wrong. Read the terms of service; in many cases you will find the website operators say they'll try to help if there are problems but make no promises, and if you're not satisfied you have to go through binding arbitration rather than suing them. Look to see if the websites offer guarantees and what they cover. If you think you've been treated unfairly, your state or local consumer agency may be able to help.

Not all gift card exchanges verify the value of cards that people post for sale on their websites or check to make sure they're transferrable. If you buy a gift card from an exchange that doesn't provide a guarantee or has a "no refunds" policy, you could be out of luck if it's worth less than you expected or you can't use it at all. Look for information about the exchange's policies on its website and read it carefully. And check the terms and conditions printed on the card before you click to buy it.

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

You see a great deal advertised by an e-commerce site, but when you get there you discover there are charges or limitations that weren't disclosed in the ad. That's not right! Advertising should be truthful and tell you the important things you need to know about the offer. Report misleading ads to your state or local consumer agency.

Landlord/Tenant

Unsure of your rights as a tenant, or your obligations as a landlord? Get the information from your state or local consumer protection agency.

Many states require landlords to ensure their rental property meets specific safety and health standards. If you call your landlord about a problem, you may want to follow up with a letter and keep a copy so you'll have a record. The time limits for landlords to make repairs sometimes depend on the seriousness 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.

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

A lease is a legal document that spells out the responsibilities for both the tenant and the landlord. If you're a tenant and believe the landlord is not honoring the agreement, or you're a landlord and you're not sure of your obligations, consult with your state or local consumer agency.

Tenants are generally only responsible for damage or other problems they and their guests cause. If your security deposit has been wrongly withheld or you're charged for something you shouldn't be and you can't resolve the matter with your landlord, ask your state or local consumer agency for help.

Real Estate

Real estate transactions can be complicated, and if something is not on the up-and-up, there could be serious financial consequences. Have a lawyer review the paperwork, especially if you are making a deal to let someone pay off your mortgage or to rent a home with the option to buy, to be sure it's legitimate and you're protected.

The board of directors of a condominium association sets the rules owners must abide by and that dictate how responsibility for repairs will be handled. If you believe the rules are not being properly followed, your state or local consumer agency may be able to give you advice and assistance.

Retail Sales

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

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

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

If a business can't get the specific item you ordered, it's a breach of contract. You can accept a substitute if you wish, but you don't have to – you can insist on getting your money back regardless of the company's refund policy.

Don't allow smooth-talking salespeople to persuade you to buy something you don't really need or want. Depending on the return policy, you may not be able to change your mind and get your money back. If you were charged the wrong amount, however, you are entitled to a refund of the overcharge. Report deceptive sales practices to your state or local consumer agency.

Never buy expensive jewelry on impulse. To be sure you're getting what you pay for, do your homework. Look for information about complaints against the store at the Better Business Bureau, www.bbb.org. Another good resource is the International Gemology Institute, www.igionline.com, where you can learn about jewelry certification. When you make a purchase, get a detailed receipt that shows what you bought and how much you paid, as well as any certificate or appraisal for the item so you can prove the claims the business made. Be aware if you are in another country and make a purchase there, however, U.S. law will not apply and it may be very difficult to resolve a problem.

Before you buy a pet from a store or a breeder, ask your state or local consumer agency about your rights if the animal turns out to be unhealthy. You can find information about dog breeders and buying dogs through the American Kennel Club, www.akc.org. For information about cats and cat breeders, visit the American Cat Fanciers Association at www.acfacat.com/.

When you're buying any type of merchandise that will be delivered at a later date, pay with a credit card so you can dispute the charges if you never receive it. Keep order forms, contracts, receipts and other documents about the transaction in case there is a problem and you need them.

Schools

Before you sign up with a career training school, ask the department of education in your state if there are any licensing or accreditation requirements and whether the school has complied with them. You may also be able to find out if it has received complaints about the school. The Federal Trade Commission offers [tips](#) on what to look for and what to avoid so you can get the education you paid for. If the school misled you or fails to provide the services it promised, your state or local consumer agency may be able to help.

Prospective students should carefully review the information schools provide to their accrediting and licensing institutions and agencies, including: student attrition rates, employment rates, tuition levels, and, where relevant, professional licensure/certification exam passage rates. Be suspicious of any school that refuses to provide straight answers about how likely its students are to graduate, pass licensure or certification exams, and get a related job.

Services

Just as with buying or leasing solar equipment, signing up for community solar energy is a major commitment. Ask your state or local consumer agency if there are any requirements the companies must follow and get information in writing about how any estimates of utility savings are calculated, what the total cost will be, your cancellation rights, what warranties are provided, and how you can unsubscribe or transfer your subscription. If you decide to go forward, make sure everything you've been told is

spelled out in a written contract and that you're given a copy. The Solar Energy Industries Association offers guides for consumers at <https://www.seia.org/initiatives/solar-customer-resource-portal>.

If your furnace or air conditioner breaks down, check whether it's still under warranty. If so, the manufacturer will give you instructions on how to have repairs made. If it's no longer covered and there is no one who regularly services it that you can call, check the reputations of local repair companies with the Better Business Bureau and ask friends and relatives who they do business with.

The U.S. Department of State provides information about international adoptions, including how to find accredited adoption service providers, at <https://travel.state.gov/content/travel/en/Intercountry-Adoption.html>. Even when you work with an accredited provider, however, there can be problems that disrupt or derail the adoption process. Your state or local consumer agency may be able to advise and assist you if the company does not or cannot fulfill its promises.

If a business that has items belonging to you shuts down without making arrangements to get them to you, ask the city or town clerk or the police if they have information about how to reach the owner. Contact your state or local consumer protection agency if you can't find the person or retrieve the items.

Handling funeral or cemetery arrangements 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. Don't pay the full amount before everything you were promised has been done.

It's a good idea to look into funeral services before they're needed. At <https://funerals.org/> you'll find information from the nonprofit Funeral Consumers Alliance about planning funerals and your legal rights, including the right to get an itemized price list and a statement showing the selections you have made. If you're charged for products or services you never agreed to or have other problems with the seller, contact your state or local consumer agency.

Dishonest immigration consultants can do more than just rob people of their money; if they do anything incorrectly with your application, they can damage your chance of success. It's important to know that in the U.S., notaries are not lawyers. Only licensed attorneys or nonprofit organizations that are authorized by the U.S. Citizenship and Immigration Services (USCIS) office can give you legal advice or represent you. For more information go to www.uscis.gov/avoidscams or call 800-375-5283, TDD 800-767-1833.

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

Sharing Economy

When you drive for a ride-sharing service, you are considered an independent contractor, not an employee, so minimum wage and overtime requirements don't apply. You are entitled, however, to clear and complete information about the terms of your relationship, including how you will be paid and what will be deducted from your earnings, and to get the money that you are owed. If you believe that you have been treated improperly by the service, ask our state or local consumer agency for advice.

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

If you are thinking of offering your home or apartment for short-term rentals, look into whether there

are any state or local requirements you must meet or limits on what you can do.

Timeshares

Timeshare companies often use lengthy sales presentations to wear people down and convince them to buy. Don't be pressured to sign anything, even if they say that today's price won't be good tomorrow. Take the information home and ask yourself: Can you afford it? How does the cost compare to what you normally spend on place to stay when you go on vacation? Do the dates and locations work for you? Be aware you may not be able to switch them as easily as you were told. Check the company's reputation with the Better Business Bureau nearest to its headquarters (go to <https://www.bbb.org/bbb-locator/>). If you decide to buy, be sure you understand the total cost, including any financing. Get all information and promises in writing. Once you sign, you may not be able to cancel.

Own a timeshare you don't want or can no longer use? Avoid companies that ask for fees upfront to sell your timeshare, regardless of whether they succeed, and don't believe them if they claim 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 you were overcharged for towing, pay the fee in order to avoid storage charges, get a receipt and contact your state or local consumer protection agency for advice.

If your vehicle has been towed from private property, look for "TOW AWAY ZONE" signs that provide the name and phone number of the tow company. Call to confirm your car is in the tow yard and ask what the bill will be, including any storage charges, and what forms of payment are accepted. You can also check with the local municipality to confirm the towing company is operating legally and ask whether the rates are regulated and, if so, what the charge should be in your case.

Avoid having your car towed or booted by paying attention to your surroundings. Are there signs posted? Are you parking in an area you are permitted to be? Is it a visitor's space and is a "pass" required? If you think your car was towed or booted improperly or you were treated unfairly, ask your state or local consumer agency for advice.

Travel and Transportation

Looking for a reputable travel agent? The American Society of Travel Agents operates a website, www.TravelSense.org, where you can find "verified travel advisors" who meet a code of ethics.

Notify the manager immediately if you discover bedbugs in your hotel or motel, and also contact the board of health in the city or town in which it is located as soon as possible. Keep receipts for any expenses you may have in getting rid of them and demand the company reimburse you.

When you make a reservation with a hotel or motel, be sure you receive confirmation and keep it in case it's needed. The state or local consumer agency in the area where the hotel or motel is located may be able to help if your reservation is not honored or there is another problem. For a list of agencies go to <https://www.usa.gov/state-consumer>.

Taxis are usually regulated by the municipalities in which they operate. If you're paying with a credit or debit card, look carefully at the receipt or the information on a handheld device that a driver is using to ensure that the amount is correct before you sign. Contact the taxi regulator or the consumer agency in the area if there are any problems that you can't resolve with the taxi company.

Utilities

If you are offered a promotional price for cable service, save the solicitation and note the date and the name of anyone to whom you spoke. Get a copy of any contract you signed and check to see if it accurately reflects the agreement. With companies that provide cable increasingly bundling it with other services, and merging, buying each other out, or morphing into new companies, consumers can be caught in the churn as billing platforms change, new service plans are created, and terms and conditions are revised. If you are faced with choices to make, ask questions to be sure you understand your options. Contact your state or local consumer agency if you need help concerning a misleading offer or a service or billing problem.

If your utilities have been turned off improperly and you can't resolve the problem immediately, contact your state or local consumer agency for advice about what to do.