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CONSUMER  
FEDERATION OF  
AMERICA

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# CONSUMER COMPLAINT SURVEY REPORT



# 2022

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# Introduction

Consumer Federation of America (“CFA”) is pleased to present its annual report of complaints made to consumer agencies during the year 2022. CFA conducts an annual survey of city, county, and state consumer agencies across the country about the complaints they received in the previous year, which CFA then merges and analyzes in this report. This report serves as a tool to identify common problems facing consumers nationally and inform the work of CFA as we continue to advocate for consumer protections in the marketplace. We are incredibly pleased to work with the participating agencies, as they provide a critical “boots on the ground” perspective to nonprofits like CFA and much needed relief to residents of their communities.

It would be difficult to overstate the importance and utility of these agencies. Often, consumers have a genuine dispute with a business that they cannot resolve, and they do not have the time or resources to litigate or otherwise resolve these matters on their own. Agencies can use their standing as an arm of the government and, often, their existing relationships with these businesses to resolve disputes quickly and efficiently, providing both monetary and non-monetary relief to the satisfaction of consumers.

**This report includes the top ten categories of consumer complaints received by 36 agencies in 25 states.<sup>1</sup> These agencies vary in their functions and authority, but generally serve consumers in three main capacities:**

- (1) Mediation of a wide variety of disputes between consumers and businesses;
- (2) Initiating enforcement actions (or referring to the appropriate government agency) to stop bad practices and obtain restitution for consumers; and
- (3) Conducting education and outreach programs to warn consumers about common fraudulent practices and provide useful tips and advice.

**CFA’s 2022 Survey<sup>2</sup> asked consumer agencies to provide the following information, and the agencies’ responses to each item are included in this report:**

- (1) Top 10 categories of complaints (using the agencies’ own categories);
- (2) Examples of illustrative consumer complaints received by the agency;
- (3) Statistics about the number of complaints and the amounts recovered for consumers; and
- (4) The agency’s biggest success in 2022.

<sup>1</sup> Six of the state agencies included in the “top ten” calculation (Maine, Missouri, New Jersey, Virginia, Vermont, and Washington) did not provide information in response to the Survey, but CFA obtained the top ten calculation from these agencies’ websites where such information was made available.

<sup>2</sup> The 2022 survey was a streamlined version of what has been used in the past.

# Key Findings

- **For the seventh year in a row, auto sales, leases and repairs are the #1 complaint category.** Consumers filed complaints about add-on products and services, bait and switch pricing, and mechanical condition issues. The sale and financing of motor vehicles has been a key area of advocacy for CFA, including supporting the Federal Trade Commission's efforts to pass a Motor Vehicle Dealer Trade Regulation Rule,<sup>3</sup> and recognizing and supporting the Consumer Financial Protection Bureau's enforcement efforts targeting problematic auto lending practices.<sup>4</sup>
- **Home improvement contractors and repairmen jumped to the #2 complaint category this year.** Many consumers complained of shoddy and incomplete home repair work performed by individuals without the proper licensure or expertise. Consumers often pay for services in advance and have trouble obtaining a refund or corrections to the shoddy work when the relationship deteriorates. Agencies serve a critical role here, mediating thousands of these disputes for consumers who have no other recourse.
- Together, **consumer agencies have provided at least \$743 million in relief to consumers** through mediations, administrative and court enforcement actions, and judgments. This figure is substantial, but it is equally important to note that these agencies save consumers tremendous amounts of money through successful outreach and education programs, particularly regarding frauds and scams.
- These agencies also collectively handled **nearly 600,000 consumer complaints in 2022**. Since Covid, many agencies have had to reorganize and restructure their consumer complaint handling procedures, frequently taking on many more complaints with limited staff and limited funding.
- Some "honorable mentions" of consumer complaint categories that did not make the overall top ten but were reported by agencies include complaints about **predatory towing, telecommunications and robocalls, pet sales, government agencies** (unemployment assistance, wage recovery, etc.), **food service industry** (restaurant practices, food delivery companies), and **subscription services**.
- CFA was able to include information from an **additional 19 agencies since the 2021 Survey and Report**. We are grateful for additional participation which provides a broader picture of what consumers experience around the country.

3 See "Groups Support FTC Proposed Rule Regulating unfair and Deceptive Dealer Conduct," (Sept. 12, 2022) available at <https://consumerfed.org/testimonial/groups-support-ftc-proposed-rule-regulating-unfair-and-deceptive-dealer-conduct/>

4 See "CFPB and New York Attorney General Suing Credit Acceptance Corporation for Hiding Auto Loan Costs, Setting Borrowers Up to Fail, (Jan. 4, 2023), available at [https://consumerfed.org/press\\_release/cfpb-and-new-york-attorney-general-suing-credit-acceptance-corporation-for-hiding-auto-loan-costs-setting-borrowers-up-to-fail/](https://consumerfed.org/press_release/cfpb-and-new-york-attorney-general-suing-credit-acceptance-corporation-for-hiding-auto-loan-costs-setting-borrowers-up-to-fail/)

# Top Ten Complaint Categories

- 1 Auto Sales and Repair.** Complaints related to the sale and leasing of new<sup>5</sup> and used automobiles (pricing, advertisements, mechanical defects, etc.) as well as issues related to the repair of vehicles.
- 2 Home Improvement Repairs and Contractor Issues.** Complaints about home improvement contractors or repairmen, including quality and completion of work and licensure status.
- 3 Consumer Debt and Credit.** Complaints about consumer finance issues including banking, lending, debt collection, credit reporting, and other financial services.
- 4 Retail Purchase Issues.** Complaints about purchase of merchandise (both over the internet and from a brick-and-mortar store), such as goods arriving late, receiving the wrong product or a defective product, and refund and exchange policies.
- 5 Landlord-Tenant.** Complaints about rental housing conditions, security deposit disputes, and rent increases.
- 6 Frauds and Scams.** Complaints about various scams (imposter scams, gift card payments, fraudulent lotteries/sweepstakes, IRS calls, etc.), elder fraud, identity theft and business opportunities.
- 7 Healthcare and Wellness.** Complaints about quality of health care providers, fitness and wellness centers. Also includes complaints about medical billing.<sup>6</sup>
- 8 Home Furnishings and Appliances.** Complaints about delivery, quality and return policies for various home furnishings and appliances.<sup>7</sup>
- 9 Utilities.** Complaints about utility providers, including gas, electric, cable and internet providers.<sup>8</sup>
- 10 Travel and Moving.** Complaints about hotels, travel cancellations and refunds, timeshares, and moving and storage company complaints.

<sup>5</sup> Note that some agencies, like the Connecticut Department of Consumer Protection and the Georgia Attorney General's Consumer Protection Division, have a separate "lemon law" unit or program. Lemon laws cover new vehicles for which the manufacturer is liable for defects.

<sup>6</sup> Some agencies include medical billing in their category pertaining to consumer debt/credit, some include it in healthcare, and others include a separate category altogether solely for medical billing. If the agency used a separate category for medical billing, it was included in this category.

<sup>7</sup> Some agencies included these complaints in the "retail purchase" category. Others listed it separately, and if was listed separately, it is included in this category.

<sup>8</sup> Some agencies included cell phone providers in a separate category for communications. If the agency used a separate category for communications, it was not included in this category and was separately listed in "communications," which did not make the overall "top ten."

# Agency Complaint Examples

We asked agencies to provide us with real-life examples of complaints they have received, and below are their submissions pertaining to each of the Top Ten categories.

## 1 Auto Sales and Repair

### (D.C.) Office of the Attorney General for the District of Columbia

A consumer leased a new electric vehicle which began to show warning lights on the dash almost immediately. They took it to the dealership for repair, and shortly after receiving the vehicle back from the dealership, more warning lights turned on and off. When the consumer took the vehicle in for a one-year service appointment, they were told that there was something wrong with the battery, a part needed to be ordered, and this would take three and a half weeks. After that, the consumer was informed that the dealership needed a tool from the manufacturer to install the part which would take another month. The dealership had the consumer's vehicle for over seven weeks, and during this time, the dealership provided the consumer with a loaner vehicle but it was not the same standard vehicle that the consumer had leased. **After OAG contacted the business, the dealership reimbursed the consumer \$2,600 for the lease payments made while the vehicle was being repaired.**



### CONSUMER TIPS



**Be wary of add-ons and hidden price markups.** Dealers inflate prices by adding a “market price adjustment” or overpriced add-on products and services. Make sure you carefully review the contract before signing.

**Shop around for a better interest rate.** Dealers have agreements with lenders to profit from inflated interest rates. Try going to a local bank or credit union for your own financing instead of using the dealer.

**Be willing to walk away.** This is your most powerful tool at a dealership. Give yourself time to process before you make a large financial decision.

### Florida Department of Agriculture and Consumer Services

A consumer filed a complaint with FLDACS that they took their 2013 Ford Focus into a Ford dealership due to a transmission code. The dealership diagnosed the problem and provided a \$1,780 quote for repairs. **The consumer brought the vehicle back three more times because the same code appeared and the vehicle continued to have issues (such as overheating on the highway).** The dealership said they could fix the vehicle for an additional \$500, but the car continued to have transmission problems. After FLDACS became involved, the dealership agreed to send a check in the amount of \$1,780 to the consumer's satisfaction.

### **(FL) Broward County Environmental and Consumer Protection Division**

**A consumer reported that they were charged a dealer fee of \$995 when purchasing their lease.** When they brought it up to a Kia salesman, they were told that it was “company policy.” However, the consumer advised that it was not listed on the lease when it was first initiated in 2019.

A Broward County Consumer Affairs Analyst reached out to the local Kia dealership with a copy of the complaint and requested a response with the rationale to support an additional fee. The business responded that the complainant was a loyal customer and arranged for a full refund of the \$995.

### **(FL) Pinellas County Consumer Protection**

An investigation initiated by Pinellas County Consumer Protection led to the sentencing of a used car dealership owner who was convicted of taking customer trade-ins and failing to pay off their liens. The Subject was sentenced to 10 years in prison, followed by five years of probation, and ordered to pay more than \$200,000 in restitution to victims and more than \$100,000 in unpaid sales tax to the State of Florida. The Subject was found guilty on multiple counts of a scheme to defraud and theft of state funds, both first degree felonies. The charges stemmed from 36 complaints investigated from 2016 to 2021 by Consumer Protection, working with the Florida Department of Revenue and the State Attorney’s Office.

The Subject owned and operated a used car dealership and engaged in a scheme to pocket the trade-in lien payoff funds while leaving the consumers stuck with unpaid liens for cars they no longer owned. **The Subject repeatedly misrepresented the status of payoffs before shutting down the business, leaving consumers with no recourse. In addition, the Subject pocketed consumer funds for insurance policies and extended warranties.**

The Subject’s actions caused severe damage to consumers’ credit, including thousands of dollars of out-of-pocket costs, civil suits being filed against the consumers by previous lenders, repossessions, and garnished wages at no fault of the consumers. In some cases, the consumers were forced to file for bankruptcy.

### **Georgia Attorney General's Consumer Protection Division**

The Georgia Attorney General's Consumer Protection Division alleged that Mavis Tire Supply, LLC, which has over 50 locations in Georgia alone, engaged in unlawful and deceptive sales practices in the course of its vehicle repairs and sales of automotive parts. **Mavis representatives allegedly informed consumers that their vehicles required expensive repairs and/or parts, when, in fact, they did not. Additionally, the company allegedly represented that vehicle parts were new, when they were actually used and/or not of the standard or model promised or required for the vehicle.**

Consumers also complained that the business did poor or incomplete work, which sometimes worsened or caused new problems to consumers' vehicles. Mavis then allegedly failed to resolve those problems, despite having promised to either perform additional work or provide refunds. Some consumers even complained that employees of the company often suggested additional expensive procedures to fix the very problems allegedly created by Mavis.

In resolution of these allegations, Mavis entered into a settlement requiring it to:

- Pay restitution in the amount of \$15,804.63 to identified consumers;
- Pay an additional \$80,000 into a consumer claim fund for non-identified consumers who suffered damage as a result of the company's alleged deceptive acts; and
- Implement remedial measures to ensure that the company is in compliance with the Fair Business Practices Act.

The company must also pay \$150,000 in civil penalties to the State of Georgia. An additional \$50,000 penalty will be assessed if the company violates any terms of the settlement between the date of its execution and December 31, 2024.

### **(MD) Howard County Office of Consumer Protection**

The Howard County Office of Consumer Protection received a complaint from a consumer who had taken their van to the dealership for repair. **After taking the vehicle home, they found that it not only continued to have the same problem, but it now had new problems, resulting in the van now needing a new engine.** The dealership initially did not take responsibility for the issues and only offered to give the consumer a reduced price for the new engine. The dispute was complicated by years of undocumented repairs by a subsequently retired auto mechanic who was no longer in business. After the Office contacted the dealership, it agreed to provide a new engine for the consumer's van.

### **Maryland Attorney General's Office**

A consumer contacted the Maryland Attorney General's Office after experiencing problems with the navigation system on their newly purchased vehicle. **The consumer had taken it to the shop several times, but they had been unable to repair the problem and the consumer's phone would not sync with the navigation system.** The dealership attempted to make the repairs but was unable to do so. Once the agency got involved, the dealership agreed to treat the vehicle as a lemon and allowed the consumer to exchange it for a different vehicle.

### **Montana Office of Consumer Protection**

A consumer purchased a used vehicle from an auto dealer with the belief that the vehicle came with a factory warranty. As soon as the consumer left the lot, they started noticing issues with the vehicle. The dealership was made aware and stated they would take care of the issues. **The consumer attempted to have the vehicle repaired, only to learn that there was not a factory warranty because the vehicle had originally been purchased in Canada and would have to take the vehicle to Canada for repairs.**



After a complaint was filed with OCP, an investigation was initiated. Through the investigation and mediation process, it was agreed that the dealership would allow for the vehicle to be returned and the consumer was refunded the purchase price.

### **New York City Department of Consumer and Worker Protection**

A consumer saw a vehicle at a used car dealership listed for \$24,316 and decided to finance it. But when they received the contract, the total ended up coming out to \$50,540. **The consumer had paid an \$8,000 deposit and was surprised to see that the business added extra charges, such as a \$300 extended warranty.** The consumer filed a complaint with DCWP, and through mediation, the business agreed to accept the return of the vehicle, cancel the finance agreement, and refund the consumer the \$8,000 deposit.

### **North Carolina Department of Justice – Consumer Protection Division**

A consumer filed a complaint with the NCDOJ Consumer Protection Division against an automobile dealer. **The consumer stated one month after purchasing a vehicle from the dealer they were unable to get the inspection report. The dealer stated it got lost and they needed to re-inspect it. It turns out that they never inspected the car.** The consumer also let the manager of the dealer know the brakes were squeaking. The manager told the consumer it was normal, but that they would take a look. The consumer took the car to another dealership for routine maintenance, and they made the consumer aware the brakes and rotors were worn and needed to be replaced. The consumer allowed the repairs to be done but felt the original dealer should reimburse them for their failure to inspect the vehicle properly before selling it. The consumer reached out to NCDOJ Consumer Protection Division, which then contacted the dealer to make them aware of the consumer's concerns. The dealer responded that the consumer would be reimbursed the \$839.52 they paid for the brake/rotor replacement.

### **South Carolina Department of Consumer Affairs**

Vehicle complaints were again the top category for complaints with SCDCA in 2022. A complaint was filed by a consumer in August 2022 regarding a used 2018 Dodge Ram truck purchased less than a year before for \$54,000. The vehicle had to be towed to the dealership in May 2022 because the motor locked up and would require warranty work to resolve. For over a month the consumer was given postponing responses to his inquiries of the status of the repairs. At the end of June 2022, the consumer was advised of warranty restrictions imposed in April 2021 which was prior to his purchase (October 2021). **The consumer was informed that the dealer knew of the restriction that was from a lightning strike, insurance payout and salvage sale of the truck. None of this information was disclosed to the consumer at the time of purchase,** and the Buyer's Guide indicated that the manufacturer's warranty still applied. Initially the dealership advised the consumer they would get a new engine installed, but later told the consumer it was his problem, and they would not replace the engine. Within 30 days of reaching out to the office, the consumer confirmed the dealership offered to replace the truck with a comparable vehicle.

## Utah Division of Consumer Protection

A consumer saw an ad for a used car for sale by a dealership. **When the consumer arrived to purchase the car, the consumer was advised that the true purchase price of the car was more than \$5,000 more than the advertised price, and the dealership refused to remove the add-ons that were increasing the price.** The consumer purchased the used car and then filed a complaint with the Division. A Division investigator was able to work with the dealership to address the issue, and the consumer was refunded over \$5,000.

## (VA) Fairfax County Department of Cable and Consumer Services

A consumer purchased a new vehicle from a dealership in 2021. The consumer claimed the vehicle was taken to the dealership repair shop multiple times for a check engine light which the repair shop failed to correct. The consumer requested the dealership consider the vehicle a lemon and replace it with a new one. **After Fairfax County Cable and Consumer Services intervention and mediation, the dealership agreed to allow the consumer to return the vehicle valued at \$38,680, to the consumer's satisfaction.**

# 2 Home Improvement Repairs & Contractor Issues

## (CA) County of Los Angeles Department of Consumer and Business Affairs

A senior contacted DCBA for assistance after hiring a contractor for a small repair who ultimately convinced them that they needed major remodeling on their home. The senior complained that they were grossly overcharged for the work and the work that had been performed was done poorly. **DCBA contacted the senior and found that they had been charged over \$170,000 for significant work on the home.** DCBA communicated with the contractor and as a result, reached a settlement with the senior to return \$125,000.

DCBA investigators assisted a criminal case in which the Los Angeles County District Attorney's Office charged three people in a 159-count complaint with identity theft, grand theft and residential burglary in a home improvement loan scam that cost lenders \$3.4 million. A company advertised tankless water heaters and other energy-efficient products and solicited customers with in-home sales where representatives allegedly told customers that the energy efficiency upgrades would cost them nothing. **The representatives would allegedly collect personal information from the homeowners and use it to apply for loans through the Property Assessed Clean Energy (PACE) program for Eco Technology's benefit.** PACE allows property owners to finance energy improvement projects as a tax assessment on their property tax bills. In most instances, the homeowners were not aware that an assessment had been recorded against their property until they received their tax bills, which had increased significantly. The case is awaiting trial.

## (FL) Hillsborough County Department of Consumer & Veterans Services, Consumer Protection Services

A consumer reported that they contracted with a roofing company for hurricane-related repairs, but the construction company refused to make good on their promise to return their insurance claim money for roof damage. **The consumer claimed that the contractor did not perform the work stated and sought a return of \$14,725.** Almost immediately after Hillsborough County Consumer Protection became involved, the company replied that they were working with the consumer to resolve it. The company stated there were delays due to Hurricane Ian but further stated that they had released the lien on the property and issued a final check. The consumer confirmed that they considered the matter closed and the total amount recovered in this case was \$10,307.65.



## Consumer Tips



**Use a licensed contractor.** If your state or locality requires contractors to have a license, make sure the company you hire has a valid license.

**Get references.** Ask the contractor to provide you with at least three references from other consumers to make sure they have a good reputation.

**Cancellation rights.** Most states provide you with a three-day “cooling off” period to cancel the contract if the seller comes to your house to solicit your business.

## (FL) Pinellas County Consumer Protection

Pinellas County Consumer Protection received a complaint against an individual who contracted to install a new air handler and replace duct work for a consumer for \$4,000. The Subject failed to complete the job, including not connecting the equipment properly and leaving exposed wires. In addition, the Subject left incomplete duct work, causing the consumer’s electric bill to increase over \$500 each month. Consumer Protection investigated and **the Subject was ultimately charged with unlicensed electrical contracting, was adjudicated guilty, and ordered to pay restitution of \$3,370 to the consumer.**

## Florida Department of Agriculture and Consumer Services

**A consumer had flooring installed on Oct. 19, 2021, but the installers failed to level the floor prior to installation and the flooring buckled.** The installers came back after the flooring had buckled and claimed that it was water damage. The consumer had their home checked for leaks/water issues and had a flooring expert come out to inspect and found water was not the issue. Lowe's had a third-party flooring contractor come out to inspect and found that the installers had not properly leveled the floor and was the cause of the floor buckling. The consumer advised that Lowe’s was only willing to refund the labor cost, which would require the consumer to pay over \$600 to have furniture removed, this flooring removed and purchase additional flooring.

The consumer also complained that Lowe's continued to "drag their feet" in trying to resolve this for over six months. After FL DACS's involvement, Lowe's responded that they provided a full refund to the consumer of \$2,270.96.

### Idaho Attorney General's Office

The Idaho Attorney General announced a settlement with Coeur d'Alene contractor Alexander Welstad and his company NAA Partners in May 2022. The settlement permanently prohibits Welstad from advertising or providing construction services in the state. Welstad was the sole owner and operator of NAA Partners, which advertised as Mammoth Pole Builders in Idaho, Washington, and Montana. According to Welstad's advertising, **he** built quality pole barns and other buildings. **Customers reported to the Attorney General that Welstad accepted customers' payments for construction services he never provided or provided only in part.** Customers who received partially constructed buildings complained the buildings had material defects. The settlement imposes \$55,000 in civil penalties and \$2,000 in attorney's fees if Welstad violates the settlement's terms. Welstad also agreed to pay restitution to his customers.

### Montana Office of Consumer Protection

Four complaints were filed against a contractor for taking down payments on projects and never starting. **Consumers complained the contractor would continue to promise start dates for projects and then never show up, always having an excuse.** Each of the complaints indicated the consumers asked for refunds, and at that point the contractor promised but never provided refunds and then stopped responding to consumers. The contractor refused to respond to the complaints until enforcement action was threatened. Once enforcement action was threatened, all consumers received the refunds they were entitled to within a week.

### New York State Division of Consumer Protection

A couple in Niagara County hired a franchise painting company to repair holes in a few walls and repaint the interior of their home. The work done was covered by warranty, so when some of the tape used to patch the holes began to peel, the couple tried to contact the company for repair. **Unfortunately, the franchise company had since gone out of business. The couple tried contacting the parent company multiple times but did not receive a reply.** DCP reached out to the parent company on their behalf and was able to arrange to have the repair work completed under warranty and at no cost to them.

### New York City Department of Consumer and Worker Protection

A consumer hired and paid a home improvement contractor \$6,607 to replace their roof, but after the job was completed, the roof leaked and damaged the consumer's home. When the consumer contacted the business to repair it, the business offered them \$2,000 to get the roof repaired on their own. The consumer declined the offer because they had a warranty on the roof and wanted the business to do the repair. The consumer filed a complaint with DCWP, and **through mediation, the business agreed to refund the consumer \$10,300 for the roof and for the interior damage from the leak.**

### Utah Division of Consumer Protection

A consumer hired someone to do some concrete work at their home. **A concrete slab was poured but was not done well and broke. The contractor refused to redo the concrete work.** The consumer filed a complaint with the Division, and after being contacted by the Division, the contractor repaired the faulty concrete work for the consumer, saving them more than \$3,000 to repair the work through another contractor.

### (VA) Fairfax County Department of Cable and Consumer Services

A homeowner purchased a gas fireplace insert from a business and paid a deposit of \$1,775.50. After several appointments, the business installed the fireplace insert and the homeowner paid the balance due. **The homeowner stated the insert looked awful and the inspection by Fairfax County Land Development Services, Residential Inspections failed.** The homeowner met with the business who failed to remove the insert or provide a plan of action. The homeowner finally got the business to remove the gas insert. The homeowner requested a full refund, but the business failed to provide a refund. After Fairfax County Cable and Consumer Services intervention and mediation, the business issued a full refund of \$3,681 to the homeowner's satisfaction.

## 3 Consumer Debt & Credit

### (CA) County of Los Angeles Department of Consumer and Business Affairs

A Spanish-speaking consumer had a promotional plan with a credit card company, where the consumer would not be charged interest if they paid their total amount by a certain due date. **The consumer tried to pay off the account a couple of days before the end of the promotional plan, but this company had a system outage for a couple of days and the interest became due for the entire period.** The consumer tried contacting the company on their own but was told nothing could be done and that they would have to pay the interest. DCBA contacted the business to inform them of the situation and to bring to their attention that they themselves acknowledged their system error and were allowing consumers an extension if they had a payment due during the outage. The vendor responded back to the consumer that their account had been credited back the interest, which amounted to almost \$2,000, and they also issued an apology.

### Georgia Attorney General's Consumer Protection Division

The Georgia Attorney General's Consumer Protection Division obtained a judgment in the amount of \$2,683,700 against Excellent Credit Builders, LLC d/b/a Celebrity Credit Guru and d/b/a Credit Guru of Atlanta (collectively "Credit Guru") after it failed to comply with the terms of a Cease & Desist-Consumer Restitution-Civil Penalty Order, which was issued to resolve allegations that **it offered unlawful credit repair services, made false and misleading statements to elicit business from consumers, and advised consumers to make false and misleading statements to credit reporting agencies to improve their credit rating.**

## Idaho Office of the Attorney General

The Attorney General and Navient Solutions, LLC, one of the nation's largest student loan servicers, finalized a settlement in August 2022 that provides \$3,972,316 in student loan debt relief to more than 170 Idaho borrowers. The settlement arose from concerns that Navient steered borrowers struggling to make payments on their loans towards high interest forbearances that added significant additional long-term debt. The company also issued subprime private loans to students who attended for-profit colleges with low graduation rates. The practices resulted in students often incurring substantial debts they were never likely to repay.

In addition to providing student loan debt relief, the settlement requires Navient to change its business practices, including (a) providing borrowers information about repayment plans, (b) processing payments quickly and accurately, and (c) training specialists who advise distressed borrowers about alternative repayment options.



## Consumer Tips



**Be wary of companies offering credit repair.** You can dispute credit history errors yourself for free. When companies offer to quickly repair your credit for a price, this is usually too good to be true.

**Paying down debt is saving.** When you reduce your debt, you save on fees/interest, build your credit score and build your net worth.

**Don't ignore debt collectors.** If you do not owe the debt, tell the collector. If you do owe the debt and need help paying it, try making arrangements with the collector. Ignoring them is unlikely to make them go away.

## 4 Retail Purchase Issues (brick/mortar and internet)

### (CA) County of Los Angeles Department of Consumer and Business Affairs

**A Spanish-speaking senior citizen contacted DCBA about defective sofas that they had purchased from a retailer.** The consumer contacted the vendor on multiple occasions and was informed that the sofas were no longer within the one-year warranty. The consumer had paid close to \$3,000 for the sofas and their original complaint was made within the one-year period. DCBA was able to bring the consumer's allegations and provide documentation to support that the consumer filed the original complaint with the vendor while the sofas were still under warranty. DCBA was able to get the consumer a store credit for \$2,900 to select new sofas.

### (D.C.) Office of the Attorney General for the District of Columbia

A consumer purchased a washer/dryer combo from a national retailer. The appliance never worked properly, and the retailer made three failed attempts to repair the appliance. The retailer then ignored the consumer's calls and emails to remedy the issue. After OAG contacted the business, the consumer received a full refund of \$1,471.

## (FL) Pinellas County Consumer Protection

Pinellas County Consumer Protection received four complaints against a clothing retailer located in a local beach community, frequented by tourists. All four individuals had similar experiences when purchasing a t-shirt and claimed the charges for a custom-made t-shirt were misrepresented to them and exorbitant. **The Investigator visited the establishment and noticed there were no prices on any of the merchandise.** The only price list visible was under a tall glass counter at the register, which was difficult to see. In addition, the refund/exchange policy on the back of the register was partially blocked. Consumer Protection staff met with the owner, who stated they were appreciative that these concerns were brought to their attention, and they made immediate changes to correct any future misunderstandings. The owner indicated they have since provided additional training to staff and placed prices on the merchandise, to include posting specific details regarding the cost for any customization. In addition, they offered to refund the four consumers in full to resolve the matter.

### Consumer Tips

#### **Be wary of certain shopping apps.**

Some shopping apps collect a lot of personal data. Review privacy policies carefully before you engage with the app.

**Is the deal too good to be true?** An easy way to check is to search the company's name plus "scam" or "complaint." See what others say about their experience.

**Fake reviews.** Some companies pay their employees to post fake positive reviews, and competitors may post fake negative reviews. Check several sources and consider the reviewer's history.

### **Montana Office of Consumer Protection**

The Montana Office of Consumer Protection received over 30 complaints about a Montana business with an online retail presence who was selling a product on its website, accepting payment, but not shipping the product. All of the order amounts were low dollar amounts; however, the complaints indicated an alarming trend of payments without product. When the business was contacted by consumers, there was no answer or response. OCP investigated and was able to track down the owner of the business. Through the investigation and initial enforcement process, OCP was able to secure refunds for all affected consumers and the business ceased all operations.

### **Ohio Attorney General's Office**

The Dollar General Corporation/DolGen Corp., LLC chain is headquartered in Tennessee and operates hundreds of stores selling household goods throughout Ohio. **Consumers complained that Dollar General advertises goods for a marked price on shelves in their stores but charges another price (usually higher) at the register.** The Attorney General's Office filed a lawsuit against Dollar General on Nov. 1, 2022, for violations of the Consumer Sales Practices Act. Counts include unfair and deceptive acts and practices by representing that a specific price advantage exists when it does not, and bait advertising. The lawsuit seeks declaratory judgment, permanent injunction, consumer restitution and civil penalties. The case is pending.

The Family Dollar Stores of Ohio, LLC, dba Family Dollar/Dollar Tree Inc. dba Family Dollar chain is headquartered in Virginia and operates hundreds of stores selling household goods throughout Ohio. **Consumers complained that Family Dollar advertises goods for a marked price on shelves/signs in their stores but charges another price (usually higher) at the register.** The Attorney General's Office filed a lawsuit against Family Dollar and Dollar Tree on Nov. 7, 2022, for violations of the Consumer Sales Practices Act. Counts include unfair and deceptive acts and practices by representing that a specific price advantage exists when it does not, and bait advertising. The lawsuit seeks declaratory judgment, permanent injunction, consumer restitution and civil penalties. The case is pending.

## New York State Division of Consumer Protection

An elderly consumer from Bronx County purchased cookware from a direct salesman. They received the cookware four days later and decided they no longer thought it was worth the cost. The consumer contacted the cookware company and was told that, pursuant to the "Cooling Off Rule," they only had three days from the date of purchase to initiate a return. However, the consumer noted that the company website advertised a return policy of ten days after a consumer receives the merchandise. **The consumer shipped everything back to the company three days after receiving it, however, the company refused to issue a refund.** DCP reached out to the company on behalf of the consumer and arranged for them to receive a full refund of \$2,000.

## South Carolina Department of Consumer Affairs

In 2022, SCDCA received 29 complaints about the same big box home improvement store that resulted in combined refunds totaling \$72,395.89 in seventeen of the complaints. Many of the complaints were related to communication issues, missing parts, lack of coordination between the business and contractors, and a lack of customer service. Several of the complaints are highlighted below:

- **Consumer purchased a fence in October 2020, construction was not started until March 2021 and then took several months to complete.** Issues regarding the set up immediately occurred and the business was not responsive to the consumer's concerns. A year after the completion of the fence, the consumer filed a complaint and within 30 days the business refunded the consumer the cost of the fence in the amount of \$5,999.
- Consumer purchased hardwood floors for his home in October 2020 which were installed in December of that year. **Within 8 months of installation the boards had buckled and, in some areas, had popped up entirely.** A warranty claim was submitted in August 2021. At the time the consumer filed his complaint they had been waiting a year for their claim to be resolved. Within approximately 90 days of filing a complaint, the business agreed to completely replace the floors, a value of \$6,444.88.
- In June 2021 during a home renovation project a consumer purchased materials and installation of interior and exterior doors in the total cost of \$10,527. There were issues with the quality of the materials and with the installation process. Consumer filed a complaint in July 2022 after a year of attempting to resolve issues regarding the installation and damage to property. **After filing a complaint, the business refunded the consumer \$17,203 for purchase price and damages.**



## 5 Landlord-Tenant

### (D.C.) Office of the Attorney General for the District of Columbia

**A consumer applied for an apartment on February 8, 2022, and was charged a \$75 application fee and a \$500 amenity fee.** The consumer was told that the \$500 payment would cover their amenity fee for the first year and reserve the apartment. On that same day the consumer was informed by the business that their rental application was denied. On February 11, 2022, the payment cleared the consumer's account, and they called and emailed the business regarding the return of \$500 amenity fee. The consumer was eventually told that the \$500 fee was not refundable. After OAG contacted the business, the consumer received a full refund of \$575.

### (FL) Hillsborough County Department of Consumer & Veterans Services, Consumer Protection Services

**In this case, the water pipes that connected the tenant's rental home to the city's water grid burst which caused an inflated water bill totaling just under \$700; they reported this as being \$630 more than what they normally pay.** Two days after the water pipes were fixed, their rent was due and the tenant noticed that they were charged the full amount of the water bill in addition to the normal rent. On that same day, a payment was made in the amount of \$2,750 and the consumer sent the property manager an e-mail explaining the situation and asking them to correct the charge as they did not own the property and the water bill was not in their name.

The property management team informed the tenant that the extra expense would be expected from them, and they would be credited back once the water company completed its review, in about two months. This placed a huge financial burden on their family, and they filed a complaint. After becoming involved, Hillsborough County Consumer Protection was able to mediate an acceptable solution. After just a few weeks, the landlord agreed to credit the tenant's account and remove all late fees, the total amount recovered in this case was \$1,478.91



## Consumer Tips



**Be wary of junk fees.** Review your rent statement carefully to make sure that you understand all of the fees and be sure to challenge cryptic or incorrect fees.

**Eviction expungement.** Some states allow you to expunge or seal a court record of your eviction. Check with an attorney or legal aid office to see if this is an option for you.

**You have basic rights as a tenant.** A landlord cannot change your lock without a court order, demand interest or fees you didn't agree to, refuse to make necessary repairs, or force you to live in unsafe or unhealthy conditions.

## Florida Department of Agriculture and Consumer Services

A consumer filed a complaint indicating that their landlord was charging them \$2,035 after their move-out without an explanation or documentation of any damages. After FDACS became involved, the landlord wrote off the balance due and took the consumer out of their collections process.

## Maryland Attorney General's Office

A consumer notified the Maryland Attorney General's Office that they had received a notice that their rent was increasing by \$572 with no prior notice being provided. **They further stated that they were on a month-to-month lease and were being told that they were about to be evicted despite having applied for emergency funds due to the pandemic.** After mediation, the agency was able to back out the rental increase due to the lack of notice, and was further able to convince the landlord not to evict the consumer since they were awaiting funds from a state program that would pay their back rent.

## (VA) Fairfax County Department of Cable and Consumer Services

A tenant moved into a home owned by a landlord. **The tenant noted damaged faucets, bathtub failed to drain, stove/oven/dishwasher failed to work, windows did not shut, and concern about the presence of mice.** The tenant brought the issues to the landlord's attention, but the landlord failed to address the issues in a timely manner. The tenant requested the landlord make all the repairs or allow the tenant to vacate without penalty. After Fairfax County Cable and Consumer Services intervention and mediation, the landlord agreed to allow the tenant to vacate without penalty which resulted in a savings of \$4,200 for the tenant.

## (MD) Howard County Office of Consumer Protection

The Howard County Office of Consumer Protection received a complaint from an elderly consumer who rents an apartment in a senior apartment building. **The residents of the building received a notice stating that they now needed to use the online portal to renew their leases. This was very upsetting to many of the residents who are not computer savvy and have no equipment or way of complying with this new rule.** Through the intervention of the agency, the apartment confirmed that they would be setting up other options for people who do not have computers and will work with them to make sure all necessary paperwork is completed.

## Wisconsin Department of Agriculture, Trade and Consumer Protection, Bureau of Consumer Protection

A tenant claimed her landlord had not returned her security deposit within 21 days. The tenant had contacted her landlord several times prior to filing a complaint. The landlord stated the security deposit was returned via ACH deposit on the 21st day. DATCP requested a copy of the withholding statement due to money being withheld. **The landlord's withholding statement and deductions did not comply with Wisconsin law.** DATCP issued a non-compliant letter and the landlord expressed confusion about the law. DATCP's mediation team educated the landlord by explaining the law's requirements and what a compliant withholding statement contains. The unlawfully withheld funds were returned to the tenant.

## 6 Frauds and Scams

### (D.C.) Office of the Attorney General for the District of Columbia

**Due to the pandemic, a wave of citizen unemployment claims was made to state agencies, which became an opportunity for scammers to defraud in many areas.** The D.C. OAG received an unprecedented number of complaints regarding identity theft. Examples of the identity theft scams included consumers who had never applied for unemployment receiving unemployment notices from current and/or former employers; consumers who had applied for unemployment being locked out of their unemployment accounts; and consumers receiving fraudulent emails and debit cards for unemployment. In response to these consumer complaints, OAG provided consumers with the Identity Theft Procedures for District of Columbia residents and contact information for reporting the fraud to their local employment agency.

### (MD) Howard County Office of Consumer Protection

The Howard County Office of Consumer Protection received a complaint from a consumer who had purchased numerous gift cards from a national chain providing massage and facial services. **The consumer had gifted these items only to have the grantees say the cards were rejected as expired—even though they lacked any expiration date.** After working with the corporate office and local franchise, the business created a list of all gift cards purchased and reissued new cards with their remaining balances on them.

A consumer filed a complaint against Wells Fargo Bank and Zelle for their failure to comply with the Electronic Funds Transfer Act (EFTA). The consumer had, through a moment of inattention, engaged with a phone scammer alleging a missed jury summons. Although the consumer verified that the name given by the caller matched a Howard County deputy sheriff, they did not question why the name of the Zelle account was for someone else and not the Department of Finance. Upon making the payment, the consumer immediately called their bank to stop the transaction. **Citing “customer assisted fraud” neither the bank nor the platform was willing to apply the EFTA and claw back or refund the transaction.** OCP investigated the transaction, found the online bank account in which the stolen funds were deposited (based in another State), and coordinated with the depositing bank and Howard County Police to further the investigation towards a refund and criminal charges.

## Consumer Tips

**The FTC reported consumer losses of \$8.2 billion to scams in 2022.** Consumers should be more wary than ever that scammers are waiting to prey on them.

**Gifts cards are a red flag.** If you are ever asked to pay with a gift card, this is almost always a scam.

**Don't blame yourself.** Scammers are smart and fast-acting. It is easy to think you are to blame when someone steals your money, but remember that they are the criminal and many people fall victim to scams.

**Don't ever click on a link in a text message.** This is almost always leads to a way to for scammers to steal your data or your money.

## (OH) Cuyahoga County Department of Consumer Affairs

In May, the Cuyahoga Department of Consumer Affairs received calls from a school secretary and a teacher about jury duty scam that was targeting teachers. A scammer would call the school office, identify themselves as a Cuyahoga County deputy and ask to speak to a teacher by name on what they claimed was an urgent matter. Teachers who were pulled from classrooms to take the calls were told they had missed jury duty and an angry judge was about to issue a warrant for their arrest. Upset teachers were told they had leave school and immediately go before a judge. Teachers were instructed to stay in contact with the “officer” during the drive. (Demanding a victim stay connected by phone and travel to another location is a scam tactic designed to get victims more invested in the drama the scammer is creating.)

Once the teachers were enroute to the Justice Center, the scammer said the judge had been called into a hearing but that the warrant could be halted if they paid a fine, which they could ask the judge to return later. Teachers reported losing more than \$2,000 apiece to the scam. Consumer Affairs swiftly issued [an alert](#) to the media. To make sure education professionals were aware of the new scam, Consumer Affairs also sent warnings through the emergency alert system to superintendents and all public and private schools in the county. The agency also sent the alert to teachers’ unions, mayors, and police departments countywide. The agency continues to receive reports of jury duty arrest scams, but it has not received any further reports of teachers losing money to these scams.

## Wisconsin Department of Agriculture, Trade and Consumer Protection, Bureau of Consumer Protection

**A consumer filed an identity theft complaint after their identity was used to open three different cell phone accounts at three different businesses in a five-month span.** All three accounts were created in Houston, Texas and the consumer is a Wisconsin resident. Consumer protection began mediation and contacted all three businesses the same day the complaint was filed. Shortly after their contact, all three accounts were verified as fraudulent by the businesses and closed. The businesses also notified all three credit reporting agencies of the fraudulent accounts and requested they be removed from the consumer’s report. From start to finish, the entire process took 13 days.

## 7 Healthcare

### Colorado Department of Law

The consumer provided a new insurance card to their hospital when they received emergency services in June 2021. The hospital entered the new card in the patient’s records but erroneously submitted the claim for the services under their old (terminated) policy. As a result, the claim was denied. The hospital then erroneously sent the consumer a bill for the \$47,794.26 balance, about a year after the services were provided. The consumer contacted the hospital’s customer service numerous times, but they refused to acknowledge or correct the error. The hospital received communications from the agency and the BBB at around the same time. They investigated the issue and responded to the agency and to the consumer, acknowledged the error, eliminated the patient’s due balance, and sought the money from the insurer.

## Consumer Tips



**Make sure your health insurance information is up to date.** This will help ensure you receive the right coverage from your insurance provider.

**Remember that dietary supplements are not regulated.** Be skeptical of companies that promise fast results to a medical issue or sell you expensive “holistic” treatments. Some can be effective, but the Food and Drug Administration does not evaluate the accuracy of these statements.

## Georgia Attorney General's Consumer Protection Division

The Georgia Attorney General's Consumer Protection Division obtained a consent judgment that permanently prohibits Elite Integrated Medical, LLC, formerly known as Superior Healthcare of Woodstock, LLC d/b/a Superior Healthcare Group, Superior Healthcare Sandy Springs and Superior Healthcare Morrow (“Elite”) from selling or advertising stem cell therapy products or services. This is the culmination of a previous lawsuit filed in September 2020 in which the state alleged that Elite violated the Georgia Fair Business Practices Act by making false and deceptive advertising representations about the effectiveness and regulatory status of stem cell therapies.

In its lawsuit, the state alleged that **Elite made millions of dollars by using aggressive marketing techniques and high-pressure sales tactics to convince hundreds of consumers, most of whom were elderly and/or disabled, to purchase expensive, unproven medical treatments that are not covered by Medicare or health insurance.** The complaint further alleged that Elite misrepresented the role of medical doctors in providing patient care and that it deceptively featured a customer testimonial without revealing that it came from the owner of the company's advertising agency.

The judgment requires Elite to pay \$137,631 in restitution to identified consumers who filed a complaint with the Attorney General's Consumer Protection Division that has not otherwise been resolved. Elite must also pay another \$150,000 to the Consumer Protection Division for a restitution fund for consumers who file eligible claims within a prescribed time period. The settlement permanently prohibits Elite from:

- advertising, marketing, promoting, offering for sale and/or selling any regenerative medicine treatment; and
- owning, operating, managing, or otherwise being affiliated with any business that provides marketing services on behalf of any healthcare business and/or any business that advertises regenerative medicine products, including through endorsements, social media, live seminars or other presentations, webinars, videos, emails, digital materials, and/or television and radio commercials; and
- making, or assisting others in making, representations that products or services cure, mitigate, or treat any disease or health condition, unless such representations are non-misleading and based on competent, reliable scientific evidence; and
- making, or assisting others in making, false or misleading representations about the Food and Drug Administration's (FDA) regulation of regenerative medicine products; and

- Elite must also comply with the Federal Trade Commission's Guides Concerning the Use of Endorsements and Testimonials in Advertising. Elite is also prohibited from making or disseminating endorsements that do not honestly reflect the opinions, beliefs, findings, or experiences of bona fide users of stem cell products or services.

### Idaho Office of the Attorney General

The owners of Boise Holistic Health and Weight Loss entered into a settlement with the Idaho Attorney General in February 2022 to address the business's advertising practices. **The investigation of the business revealed the business's website misrepresented the treatment benefits and limitations of the ZYTO health scan, N.A.E.T. allergy elimination, and the NutriMost weight loss program.** Laura and James Aylor agreed to remove all misleading advertising and to include clear and conspicuous disclosures regarding their healthcare treatments.

### Wisconsin Department of Agriculture, Trade and Consumer Protection, Bureau of Consumer Protection

A consumer incurred costs their medical service provider had previously indicated would be covered by their insurer. **The provider failed to submit the patient's claim to their insurer in a timely manner, causing the insurer to deny the claim.** Despite several communications with their medical service provider, the consumer received a collection notice for the balance that should have been covered by the insurer. After receiving the consumer's complaint, DATCP sent the medical provider a copy of the complaint and they quickly resolved the complaint by writing off the consumer's debt of \$2,552.

## 8 Home Furnishings

### (MD) Howard County Office of Consumer Protection

A consumer hired an appliance repair firm to fix a kitchen exhaust fan. Citing the pandemic and supply chain issues for not having the needed part, the repair firm said it would need to order a motor and return when it arrived. **The consumer paid \$285 for the motor but, despite months passing, the firm never returned. Despite repeated promises to refund the payment for the motor, the business never provided the repair or the refund.** The OCP contacted the business who similarly made refund promises. When the promised refunds never materialized, OCP filed a citation against the business under the County's consumer protection laws.

### New York State Division of Consumer Protection

A consumer from Westchester County ordered bedroom furniture from a large retailer in Brooklyn. At the time of sale, the shipping date was scheduled for February 3rd, but it was later moved to April 3rd. **Upon learning of the new date, the consumer contacted the furniture store to cancel the order but was told they would incur a 15% restocking fee.** DCP was able to arrange for a full refund to the consumer.



## Consumer Tips



**Ask for a firm delivery date.** Make sure that your contract includes a date that your furniture will be delivered so that you have recourse if they don't deliver on time.

**Review promotional financing offers carefully.** Furniture retailers often promise low or zero interest rate financing if you pay off the balance by a date certain. If you are not able to pay it off, interest is applied retroactively from the date of purchase.

**Rent to own.** Be very wary of rent-to-own agreements. These are usually more expensive than a regular purchase, and the seller can take the furniture back if you do not pay on time.

### Ohio Attorney General

Rick Wallace owned and operated Heath Furniture and Mattress, LLC/Rick Wallace, in Heath, Ohio. Consumers complained to the attorney general that **Heath Furniture and Mattress sold consumers furniture with far-off delivery dates and misled them about the status of their orders (using the COVID-19 pandemic as cover) and failed to deliver significant portions of orders and in some cases delivered nothing at all.** The Attorney General's Office sued the business and its owner on Dec. 28, 2022, for violations of the Consumer Sales Practices Act. The lawsuit seeks a declaratory judgment, permanent injunction, consumer restitution and civil penalties. The case is pending.

Jeffrey Asherbranner operated Modern Smart Home Inc./Select Source Group, LLC/Jeffrey Asherbranner/The Independent Savings Plan Company, Alabama companies that used door-to-door sales representatives to market and sell home security systems under the Modern Smart Home name. **Consumers complained that Modern Smart Home ceased monitoring their security systems but were still collecting payments.** Nearly all the consumers financed their purchase with a Florida corporation called The Independent Savings Plan Company. The Ohio Attorney General's Office filed a lawsuit, against Asherbranner and his companies on Dec. 30, 2022, for violations of the Consumer Sales Practices Act and Home Solicitation Sales Act, including failing to deliver, using a fictitious name not registered in Ohio, failing to remit consumer payments to the alarm monitoring company, failing to include notice of the FTC preservation of consumers' claims and defenses in a consumer credit contract, and failing to provide proper cancellation. The lawsuit also included allegations against The Independent Savings Plan Company for suing a consumer in a distant forum, and an action for declaratory injunction cancelling the finance contracts between consumers and ISPC. The lawsuit seeks a declaratory judgment, a permanent injunction, civil penalties and any other appropriate relief. The case is pending.

## Utah Division of Consumer Protection

A consumer purchased a home solar system after receiving a mailer from a solar company that contained misrepresentations about the nature and cost of the solar system. **After receiving payment from the consumer, the solar company failed to install a functional solar system for the consumer for nearly a year.** The Division determined that the solar company had mailed 20,000 mailers containing the misrepresentations to consumers in Utah. The solar company voluntarily reimbursed the consumer for the monthly payments the consumer had made while the solar system was inoperable. The solar company also finished the solar system installation so that the system would be operational. Additionally, the company entered into a settlement agreement with the Division regarding the misrepresentations and the failure to deliver and paid a \$10,000 fine to the Division.

## 9 Utilities

### (D.C.) Office of the Attorney General for the District of Columbia

**A Spanish-speaking consumer's cellphone provider doubled the amount owed for his monthly services in April 2022.** The business withdrew double the amount owed from the consumer's bank account for their monthly bill. The consumer contacted the business and was informed that the overpayment would be credited to their cellphone account for the next monthly charge. However, the overpayment was not credited, and the business withdrew the next month's charge from the consumer's bank account. After OAG contacted the business, the consumer received their full monthly credit of \$30 toward his June bill.

### (FL) Pinellas County Consumer Protection

The Emergency Broadband Benefit (EBB) is an FCC program that helps families who struggle to afford internet service during the COVID-19 pandemic to stay connected for their jobs, healthcare services, virtual classrooms and more. **Pinellas County Consumer Protection received a complaint from an individual who was approved to receive the \$50 discount per month, but never received it. The consumer had tried to contact the cable company, to no avail.**

## Consumer Tips

**Be wary of junk fees in your bill.** Utility providers may include cryptic fees (i.e., “internet cost recovery fee”) in your bill that are not legitimate, which you may be able to challenge.

**Spot scams that threaten your utilities.** A call threatening to turn off your service if you don't pay immediately is a scam. Additionally, remember to never wire a utility payment through a third party, pay with a gift card, or use cryptocurrency at the request of the person claiming to be your utility provider.



## North Carolina Department of Justice – Consumer Protection Division

A consumer submitted a complaint to the NCDOJ Consumer Protection Division against a utility business regarding a refund of two payments. The consumer stated they switched from one carrier to another and was told the phone numbers would stay the same. **When the new cards for the phones arrived, the phone numbers were different. The consumer called the business to cancel, but later they received a bill with charges.** The consumer requested a credit of the charges. NCDOJ Consumer Protection Specialists were able to mediate the issue with both parties. The business refunded the consumer and gave a full explanation of their procedures and the events that took place. The business thanked NCDOJ for bringing the matter to their attention.

## Wisconsin Department of Agriculture, Trade and Consumer Protection, Bureau of Consumer Protection

A new customer of a large wireless telecommunications business purchased two mobile phones, with promised monthly credits that would subsidize the total cost over a three-year contract. The credits had not started after two months, and when the consumer inquired, they were told the issue had been identified and was resolved. **After another incorrect billing cycle, they were then told that their account was not eligible for the promotion.** DATCP sent the business a copy of the complaint and identified potential administrative code and statute violations relating to misrepresentations of a service or telecommunications plan. The business responded by offering a credit to the consumer which reflected the terms of the promotion (a total of \$1,498), but indicated the consumer's expectation to receive the promotion was incorrect. The business failed to acknowledge or explain the misrepresented promotional terms and after several requests for additional information were unsuccessful, DATCP issued a non-compliance letter highlighting the potential misrepresentation in its terms of service. Following issuance of the non-compliance letter, the business contacted DATCP and advised they provided additional coaching and training to its staff to ensure accurate representations and communication.

# 10 Travel, Recreation, and Moving

## (FL) Pinellas County Consumer Protection

A consumer reached out to a local moving company regarding an estimate for a move. The customer informed the business that they could not pay more than \$300 and that they had received quotes from other movers that were in the range of \$500 to \$600. The mover promised they would beat that and provided a quote of \$299, plus a 10% discount. The consumer advised that they were assured that the final charge would not be substantively greater. They repeatedly asked the movers about any additional charges they might add and were advised there would be none if they "took care of them" with a tip, so the consumer gave the movers a \$250 gratuity.

**The consumer advised that the movers were extremely late arriving at the move out location and damaged a great deal of their property. The movers insisted that they pay an additional \$1,060 in cash** or they would not unload the consumer's possessions and would drive off with them. The consumer had to pay them \$1,060 plus the \$250 tip (via Zelle) to have them unload the possessions, which they did in a substandard fashion. The complainant informed them that they considered their actions predatory towards a disabled individual.

A Broward County Consumer Affairs Analyst received and reviewed the complaint narrative and documentation. The respondent, who was unlicensed, was not responsive to letters and calls from the agency. A Broward County Consumer Affairs Regulatory Inspector visited the business address and provided a copy of the complaint and issued citations for operating without the necessary local moving license. After not willing to comply with the requested refund, a citation hearing commenced, and the respondent was found guilty. With assistance from the Broward County Attorney's Office, a restitution hearing was held, and the respondent was ordered to provide a full refund to the customer.

## Consumer Tips

**File a complaint with the Federal Motor Carrier Safety Administration.** The FMCSA reviews complaint data when it decides whether to take enforcement action against an interstate moving company. Complaints are an invaluable resource.

**Look out for the following red flags:** getting a low estimate without seeing the goods or your home; the company does not have a business registration or website; the company asks you to sign blank documents.

**Know the difference between a mover and a broker.** Brokers book your move and sell it to a moving company. Ask up front who you are talking to and what their responsibilities are.

### **(FL) Pinellas County Consumer Protection**

A consumer hired a moving company to move their household items. **During the process of the move, the subject damaged two dressers and lost parts to a bed.** The consumer felt they were not getting the responses they needed to get the items repaired. They filed a complaint with Consumer Protection and the assigned Investigator was able to assist the parties in resolving the matter through the informal mediation process. The Subject fixed the damaged items, and the consumer was satisfied with the outcome.

## Florida Department of Agricultural and Consumer Services

**A consumer attempted to obtain a refund for a cruise, but was unable to contact the company to request the refund because the customer service line had 3-6 hour wait times. After FLDACS became involved, the company issued a full refund of \$1,417.72.**

Another consumer contracted and paid for moving services. The contract provided that if service is over 1,000 miles, delivery can take up to 10 days. The consumer's original expected delivery date was July 1, but was called on June 30 and told that they would receive a call on July 5 advising them of a new delivery date. **The consumer did not receive a call and had to call the moving company to find out that the delivery would be over 20 days after the move.** The consumer was particularly frustrated because they had two young children and were scheduled to travel for work, and felt that the company was delaying the delivery date. After FDACS became involved, the customer received their goods and provided the consumer with a \$500 discount and waived a \$100 "stair fee."

## Ohio Attorney General's Office

Gateway Student Tours Inc./Timothy J. Bronchetti is a New York business that provides student tour packages. An Ohio high school scheduled a senior trip through Gateway to begin on April 3, 2020. The students were unable to take the trip due to the COVID outbreak. **Gateway refused to make refunds, including to consumers who purchased travel insurance from the business.** The Attorney General's Office sued the business and its owner on July 15, 2021, for failure to provide refunds and honor contract terms as stipulated by the Consumer Sales Practices Act. The case was resolved with the filing of a Default Judgment Entry and Order on June 9, 2022, which included a declaratory judgment, permanent injunction, \$47,094 in consumer restitution and a \$40,000 civil penalty.

## South Carolina Department of Consumer Affairs

A consumer filed a complaint against a timeshare company for potential misleading and deceptive tactics and/or false promises. During the process to purchase an upgrade to their current timeshare plan, the consumers were advised their contract included an "Instant Savings" program that would allow them to receive rebates based on the number of points they booked. After reviewing documentation provided by the business, the consumer realized that the 'Instant Savings' rebate program was not listed anywhere on the consumer's current contract. The consumers tried for five months to resolve with the business through phone calls, emails, text and even an in-person trip. The consumer desired a return of their original timeshare terms, a cancellation of the 'Instant Savings' program, and a refund. **After the complaint was filed, the business issued a refund of \$998.36 to the consumer's credit card and \$41,166.63 was returned by company check.**

**Even two years from the beginning of Covid in March 2020 the South Carolina Department of Consumers Affairs is still receiving complaints related to travel cancellation.** In December 2019 a couple booked a three-month European cruise and paid in full (\$17,027.87). In March 2020 when travel stopped due to Covid, the consumers attempted to cancel their cruise but were only offered vouchers for a future trip which would have to be rebooked by May 2022. When the consumer attempted to rebook on May 30, 2022, they were advised the voucher had expired. In addition, the person they originally spoke with no longer worked there and the new advisor reported the voucher had expired at the beginning of the month not the end of the month. After multiple conversations with the business they were only willing to offer a 25 percent credit on a new cruise. The consumer filed the complaint in June 2022 and within 30 days the business made a one-time exception and extended the voucher an additional six months from the original expiration date to allow the consumer to schedule another trip.

### **New York State Division of Consumer Protection**

A consumer in Cayuga County purchased a trip through their travel credit card, which included several travel benefits and services such as trip cancellation insurance. Four days before the scheduled trip, the consumer's spouse suffered a medical emergency that qualified for trip cancellation. **The consumer filed a claim with their credit card company, submitted the required supporting documentation, and then repeatedly contacted them over the next four months for an update.** The consumer was promised a call back by a claims examiner numerous times but never received one. Once they filed a complaint with DCP, DCP contacted the credit card company and arranged a full refund totaling over \$15,000.

### **Utah Division of Consumer Protection**

**A consumer purchased a cruise for over \$6,000, which was subsequently canceled.** The consumer was refused a refund and filed a complaint with the Division. The Division was able to work with the cruise vendor to get the consumer a full refund.

# Agency Successes

*We asked participating agencies to describe their biggest success from the year 2022, such as mediating a particularly difficult dispute, publishing a report about a consumer protection issue, starting an outreach program, or bringing an enforcement action.*

## **(CA) County of Los Angeles Department of Consumer and Business Affairs**

### ***Enhanced Programs for Student Lending, Foster Youth and Dispute Resolutions***

The L.A. Department of Consumer and Business Affairs (DCBA) enhanced several consumer protection programs in 2022. In January 2022, the Los Angeles County Board of Supervisors passed a motion to initiate an Awareness Campaign for Federal and State Student Loan Forgiveness Programs, aimed at informing Los Angeles County employees and constituents about programs for student loan borrowers to reduce or eliminate their student debt. DCBA partnered with County and State agencies to develop an awareness campaign for County constituents and employees, including a new website hub to help equip County residents with accessible information and tools to determine eligibility for student loan forgiveness programs.

DCBA's Center for Financial Empowerment also completed a new website hub for foster youth to gain consumer protection basics. The new website incorporated a suite of short videos through a partnership with a third-party educational content producer to allow users to gain knowledge to strengthen their financial future.

DCBA also enhanced its Online Dispute Resolution programs. Despite having 37 courthouses throughout Los Angeles County, travel times to courthouses in this urban, crowded setting can be a deterrent to attending court. Child waiting rooms are available in many courthouses, but not all parents can take advantage of them, adding the cost of childcare to their costs of attending court. And, when travel time and attendance during working hours requires someone to miss a day of work, the personal cost of access to justice increases.

Online Dispute Resolution (ODR) programs in Small Claims and Unlawful Detainers provide an online platform for litigants in small claims and unlawful detainer (eviction) cases to reach a mutually agreeable disposition without going to court. Once both parties register, the platform guides them through a negotiation process by asking simple questions to encourage resolution. Parties may use ODR's chat feature to negotiate directly, to share documents and to electronically file court documents. If parties are unable to reach an agreement on their own, they may request mediation through the platform at no cost. Professional mediators are provided free of charge by DCBA or the Center for Conflict Resolution. The platform includes links to housing counselors and other self-help information.

## **(CA) San Francisco District Attorney's Office**

### *Assisting Consumer in a \$300,000 Cryptocurrency Scam*

**“By August 2022, the victim had deposited over \$300,000 into the cryptocurrency account... The District Attorney was able to freeze the account and start the process of returning the money “**

San Francisco District Attorney's Office

In May 2022, a San Francisco consumer received a WhatsApp message from an unknown woman. She introduced herself and told the consumer that she owned a small business in Los Angeles. She cemented their new, accidental friendship by being nice and engaging in normal conversation. She gave the consumer her personal phone number so they could communicate more privately. Eventually their conversations led to the subject of cryptocurrencies, and she stated that her uncle had a team of Wall Street professionals who could assist the consumer in predicting profit-generating market movements.

Within days of their chance online meeting, this new “friend” suggested that the consumer open an account on a cryptocurrency exchange that she named. She offered to share her knowledge and guide the consumer through the process of creating an account and transferring money to the account. By August 2022, the victim had deposited over \$300,000 into the cryptocurrency account. The “friend” then suggested the consumer transfer the funds to a website she suggested. Later, when the consumer tried to withdraw some of their funds, the account was locked and they had no access to their money unless they deposited even more money.

The victim realized that they had been scammed. They reported the scam to law enforcement and were connected to the Rapid Enforcement Allied Computer Team (REACT), see <https://publicintelligence.net/rapid-enforcement-allied-computer-team-react-task-force/>. REACT reached out to the San Francisco District Attorney's Office, and an assistant district attorney was instrumental in tracking down the location of the account with the stolen funds. The district attorney prepared and filed the necessary paperwork to freeze the account and start the process of returning the money to the victim.

This case also helped reestablish the San Francisco D.A. Office's collaboration with REACT after a break of several years.

## **Connecticut Department of Consumer Protection**

### *Agency Stops Restaurant's False Advertising Claims*

A local chain of restaurants claimed to offer bottomless alcoholic beverages and made that claim a central component of its advertising and marketing. Further investigation revealed the drinks were not actually bottomless but capped after a set period of time, making their advertising deceptive.

Additionally, investigation revealed that they were selling alcohol in the morning before they were legally allowed to do so, which constituted an unfair method of competition. Following the investigation, the Connecticut Department of Consumer Protection filed an administrative complaint.

The chain agreed to a settlement which required them to contribute funds for use in consumer complaint resolution programs, consumer education, consumer protection enforcement, and litigation. The chain also agreed to put a disclaimer on their menus and in their advertising clarifying that they did not sell bottomless drinks.

### **(D.C.) Office of the Attorney General for the District of Columbia** ***\$4 Million Settlement with Predatory Internet Lender***

The D.C. Office of the Attorney General settled a lawsuit with an online predatory lender, recovering nearly \$4 million for District consumers. This company charged District residents interest rates from 99 – 251% for online loans and lines of credit. The District’s legal interest cap for companies that lend money to District residents is 24%. Violations of this interest rate cap are illegal under the Consumer Protection Procedures Act (CPPA), which prohibits a broad range of deceptive and unfair business practices, including charging unconscionable interest rates. This company partnered with two state-chartered banks to originate both types of loans, but the company ultimately controls the loans, taking on the risks and reaping most of the profits. Over roughly two years, this company made 2,551 loans to District consumers and collected millions of dollars in interest.

As part of the settlement agreement the company was required to:

- Pay a minimum of \$3.3 million in restitution to refund impacted District consumers.
- Waive over \$300,000 in past due interest owed by District consumers who took out loans from the company.
- Pay a total of \$450,000 to the District.
- Follow District consumer protection laws. The company will not on its own or working with third parties such as out of state banks, engage in any act or practice that violates the CPPA in its offer, servicing, advertisement, or provision of loans or lines of credit to District consumers.
- Cease charging rates above the District’s legal cap, including acting as a service provider to a lender that provides loans or lines of credit to District of Columbia consumers at an interest rate above 24% APR.
- Delete negative credit reporting associated with the loans and lines of credit that it reported to credit bureaus.
- Accurately represent its company to consumers.

### **(FL) Broward County Environmental and Consumer Protection Division** ***More Cases and Higher Refunds***

The Broward County Environmental and Consumer Protection Division reported that its office mediated approximately 20% more cases in 2022 from 2021. It was able to do so at the same staffing level. The Division also reported an increase of approximately 80% in the amount of money refunded or services rendered from 2021 to 2022.

**"Broward County mediated 20% more cases at the same staffing level and reported an increase of approximately 80% of the amount of money refunded to consumers."**

Broward County Consumer Protection  
Division

## **Florida Department of Agriculture and Consumer Services** *Nearly \$1 million in Restitution for Travel-Related Complaints*

The Florida Department of Agriculture and Consumer Services (DACS) handled over 1,300 travel and vacation related complaints and provided services to consumers valued at \$950,000.

Florida DACS also provided an example of a consumer refund regarding a cruise. This particular consumer purchased a cruise for \$26,000 for their 50th wedding anniversary before the COVID-Omicron breakout. The consumer canceled their reservation, but the cruise never actually took place. Florida DACS was able to assist and provide a refund of over \$24,000.

## **(FL) Hillsborough County Department of Consumer & Veterans Services, Consumer Protection Services** *Consistent Consumer Protection Results*

The Hillsborough County Department of Consumer Protection was able to adjust to the retirement of two senior employees and onboard two new employees. It navigated new responsibilities and a challenging economy, but this agency consists of a small team of dedicated individuals who have continued to respond quickly and proactively to local consumers they serve.

Hillsborough County Consumer Protection responds quickly and efficiently to complaints about theft, fraud, loss of wages, and other unfair or deceptive trade practices. A low-cost alternative to the court system, it seeks to resolve disputes, recover losses, advocate consumer protection laws, and ensure the safety and welfare of residents and visitors by promoting honest business practices. During the survey period they worked to return \$513,663 to consumers in money, goods, or services.

## **(FL) Pinellas County Consumer Protection** *Updated Technology to Investigate and Analyze Financial Records*

Pinellas County Consumer Protection reported that the investigation of consumer fraud cases continues to evolve with an ever-increasing trend of utilizing electronic payment methods. Many investigations conducted by this office involve obtaining bank records, converting those to formats that can then be analyzed, and providing reports to prosecutors as needed to make appropriate decisions. In the past, most of this financial data processing was done either manually or with the assistance of software owned by outside agencies. Manual entry can be a very long process and is prone to entry errors when compiling data. Alternatively, although helpful to use outside agency software, there were limitations to access creating barriers to effective use. During the summer of 2022, a financial analysis software provider was identified where the agency could process these financial statements automatically, saving time and reducing errors in reporting. During September 2022 Pinellas purchased this software and immediately began utilizing this new in-house technology to aid in our financial investigations to reduce the amount of time needed to process information, reduce errors and help with understanding complex movements of money.

**“Our office purchased this software and immediately began utilizing this new technology to aid in our financial investigations to reduce the time needed to process information, reduce errors and help with understanding complex movements of money.”**

Pinellas County Consumer Protection



## Georgia Attorney General's Consumer Protection Division

### *Deceptive Ad Campaign Involving Google and iHeartMedia*

Georgia, along with the Federal Trade Commission (FTC) and five other impacted states, settled with Google, LLC and iHeartMedia, Inc. to resolve an investigation into an alleged deceptive ad campaign involving allegedly false endorsements of the Google Pixel 4 smartphone. The Georgia Attorney General's Office co-led the investigation, along with the Massachusetts Attorney General.

The Complaint alleges that in 2019, Google contracted for iHeartMedia to record advertisements endorsing Google's Pixel 4 smartphone for airing in particular media markets across the country, including Atlanta, Georgia. These ads, which ran on certain iHeartMedia radio stations and internet streaming services, are alleged to have included false claims regarding the supposed personal experiences of purported users. However, these purported users had never actually owned or operated a Pixel 4 smartphone prior to making their endorsements.

Google allegedly hired iHeartMedia to have the people in the ads use scripts that described their supposed personal experiences using the Pixel 4, despite the phone not yet being available for sale. Google also refused to provide the phones to those making their endorsements in advance of initially recording and airing the ads in 10 media markets--Atlanta, Boston, Chicago, Dallas/Ft. Worth, Denver/Boulder, Houston, Los Angeles, New York, Phoenix, and San Francisco/Bay Area. These false ads aired 1,169 times in Georgia, including four ads aired on iHeartMedia radio stations in the Atlanta media market. The Complaint alleged that the ad campaign violated the Fair Business Practices Act, as it deceived consumers about the endorser's actual experience using the product.

Under the terms of the settlements, both Google and iHeartMedia will jointly pay a total of \$9.4 million to the impacted states, comply with the FTC's Guides Concerning the Use of Endorsements and Testimonials in Advertising, and refrain from misrepresentations about an endorser's experience. Over \$1.17 million of the penalty will be paid to the State of Georgia.

## (MD) Howard County Office of Consumer Protection

### *New Fraud Prevention Outreach and Enforcement Efforts*

The Office of Consumer Protection (OCP) created SCAMO, a consumer protection learning tool using a Bingo-like game. OCP uses SCAMO to teach not only about consumer protection concepts, but to provide information on resources available to Howard County residents by County, State and Federal agencies and programs. Through SCAMO, the OCP also created the Scam Squad, a group of County, State and Federal agencies which will crowd source new waves of scams impacting Howard County residents and provide a unified response. OCP thanks Sheryl Harris of the Cuyahoga County Office of Consumer Affairs for her assistance with creating SCAMO and the Scam Squad.

**“[We] received complaints about a property management company that was poorly maintaining more than 9,000 rental units and charging tenants illegal fees. The settlement results in significant returns to harmed tenants and a \$3.25 million penalty.”**

Maryland Attorney General's Office

## **Maryland Attorney General's Office**

### ***Property Management Company Pays \$3.2 million fine***

The Maryland Attorney General's Office received a significant number of complaints concerning a large property management company that was poorly maintaining 17 different residential communities (containing more than 9,000 rental units), as well as charging tenants illegal fees. After a long, hard-fought battle, the Office was able to reach a settlement that required the business to return all the illegal fees, as well as enter into a claims process whereby current and former tenants could obtain restitution for the inhumane conditions they were forced to live with. The action resulted in significant returns to harmed tenants, as well as a penalty of \$3.25 million and an agreement to cease and desist from their improper actions.

## **Montana Department of Justice Office of Consumer Protection**

### ***Tech Support Scammer Permanently Shut Down***

An investigation by the Montana Office of Consumer Protection (OCP) identified at least 358 victims who paid hundreds, even thousands of dollars for technical support services they never received from India-based cold callers offering to remove harmful viruses or malware for a fee on the computers of unsuspecting victims. Meanwhile, the supposed tech support scammers themselves were modifying the computers and installing malicious software. Victims were then instructed to mail payments to Butte resident Richard Kenison, who wired most of the money through his company Tag Market, LLC to the foreign scammers and kept a small share for himself. Between October 2020 and February 2022, Kenison received at least 658 checks from victims totaling over \$2 million.

OCP obtained a consent judgement, permanently shutting down Tag Market and preventing Kenison from engaging in any similar business ventures in Montana. It also required that he pay \$96,258 to the State so it may distribute the funds back to the victims.

**“OCP obtained a consent judgment, permanently shutting down Tag Market and preventing Kenison from engaging in any similar business ventures in Montana.”**

Montana DOJ Office of Consumer Protection

## **North Carolina Department of Justice – Consumer Protection Division**

### ***National Leader Against Robocalls***

The North Carolina Department of Justice has continued to fight the scourge of robocalls – the top consumer complaint to the office for several years in a row. Scammers have used these spam calls to take more than \$30 billion from people in 2021.

In January 2022, Attorney General Stein filed a pathbreaking lawsuit against gateway phone company Articul8 for allegedly facilitating illegal robocalls that targeted hundreds of thousands of North Carolinians. In a period of just a few months in 2020 and 2021, Articul8 routed more than 65 million calls to phone numbers in North Carolina – some North Carolinians received between 50 and 200 calls on a single day. This path-breaking lawsuit is seeking to hold accountable companies who turn a blind eye to robocalls using their services.

But as gateway phone providers continue to be a source of so many robocalls, Attorney General Stein also formed the nationwide Anti-Robocall Litigation Task Force in August with 51 bipartisan attorneys general. The task force is working together to investigate and take legal action against the telecommunications companies responsible for bringing a majority of foreign robocalls into the United States.

**“Attorney General Stein formed the nationwide anti-robocall litigation Task Force with 51 bipartisan attorneys general.”**

North Carolina Department of Justice

The task force has issued 20 civil investigative demands to 20 gateway providers and other entities that are allegedly responsible for a majority of foreign robocall traffic. In November, the task force announced that it was seeking to enforce formal requests for documents and information issued to two voice service providers about their alleged role in accepting and routing illegal robocalls to people across the country.

## **(NJ) Bergen Passaic Division of Consumer Affairs**

### ***Home Improvement Contractor***

The New Jersey Bergen Passaic Division of Consumer Affairs took action against a home improvement contractor that performed shoddy work on a house. The agency received a complaint that the contractor began renovations on a home, and due to his actions the home collapsed. The agency worked in conjunction with the municipality and charged the contractor with both criminal violations and violations of the state consumer fraud act. The contractor lost his license and his insurance company reimbursed the consumer homeowners for their damages.

**"We charged the contractor with both criminal violations and violations of the state consumer fraud act. the contractor lost his license and his insurance company reimbursed the consumer."**

New Jersey Bergen Passaic Division of Consumer Affairs

## **New York State Division of Consumer Protection**

### ***Shady Dealership Refunds \$65,000 to consumer***

In February 2022, a consumer living in Fairfax County, Virginia purchased a pre-owned BMW M5 high performance vehicle from a car dealer in Bronx, New York. The purchase was negotiated via phone and email. When the consumer picked up the vehicle, the dealer provided temporary license plates and the necessary paperwork for the consumer to register the vehicle himself when he was back in Virginia. When the consumer took the vehicle for the required Virginia inspections prior to registration, the vehicle failed the emissions inspection due to it missing its catalytic converters. The consumer immediately notified the dealership and was told they would follow up the next business day. Unregistered, the car had to be parked indefinitely and could not be driven. For weeks, the consumer called, emailed, and texted the dealership, but the dealer continued to give him the run around and eventually stopped answering his calls.

The consumer contacted an attorney and sent demand letters, and the dealership's attorneys offered \$1,000 toward the replacement of the catalytic converters. Estimates for the replacement converters were \$6,000 - \$7,000. The consumer had paid the dealership \$2,800 for a "pre-delivery inspection" and felt that should have identified missing essential equipment so he refused the offer and continued to demand full replacement or to return the car and receive total refund. The dealership refused any additional negotiation.

In May, the consumer filed a complaint with the New York State Division of Consumer Protection (DCP), who contacted the dealership on behalf of the consumer. DCP was referred to the dealership's attorneys who continued to deny responsibility and tried to claim that the catalytic converters must have been stolen from the vehicle after the consumer drove it to Virginia. However, the vehicle sat too low to the ground for anyone to crawl under to steal equipment, and there was no damage to the underside of the vehicle.

Unable to advance mediation with the dealership, DCP engaged the New York State Department of Motor Vehicles (DMV) as the regulator of registered auto dealers in the state. The DMV immediately launched an investigation into the matter. In July, the dealership notified the consumer they would take the vehicle back and refund him. The vehicle was picked up in late July, and the loan was paid off in August. DCP continued efforts to get the consumer's down payment and total of loan payments refunded as well. In December, the consumer finally received the outstanding amount. In total, he received a refund of \$65,765.

## **New York City Department of Worker & Consumer Protection** *Auto Dealers Pay Over \$800,000 for Bait & Switch Practices*

In July 2022, the New York City Department of Consumer and Worker Protection (DCWP) announced a settlement with Brooklyn Mitsubishi and Brooklyn Volkswagen to deliver \$304,900 to New Yorkers wronged by the companies' deceptive practices when selling used cars. DCWP had charged the dealerships with more than 7,000 violations of the City's Consumer Protection Law, as well as licensing laws. In the suit, DCWP charged the dealerships with using deceptive advertising to lure customers to their dealerships and then illegally selling cars at prices well above the advertised prices. The dealerships persistently advertised "expired" prices with false claims stating, "the price you see is the price you pay" and "no dealer fees" that weren't honored when consumers got to the dealership. The dealerships also misled consumers about warranties, executed illegal contracts, failed to maintain required records, failed to respond to DCWP's subpoenas, and submitted false license applications to DCWP. As part of the settlement, 36 consumers received restitution totaling \$154,900 and \$150,000 was left for new consumers who came forward with complaints. DCWP also secured \$500,000 in civil penalties from the companies.

**"As part of the settlement, Berkeley is required to deliver \$20 million in debt relief to former students and pay \$350,000 to the city."**

New York City Department of Worker & Consumer Protection

## ***Deceptive For-Profit College Forgives \$20 million in Debt***

In March 2022, DCWP announced a settlement with Berkeley College, one of the largest for-profit colleges in New York State, to deliver \$20 million in debt relief to former students. The agreement stems from a lawsuit filed by the DCWP in 2018 after it conducted dozens of interviews with current, prospective, and former students; several undercover operations; and review of thousands of pages of documentation from Berkeley. In its lawsuit, DCWP alleged that Berkeley engaged in aggressive recruiting tactics designed to prey on the hopes and dreams of consumers seeking improved career prospects and greater financial security. This deception included lying about federal student loans, tricking students into taking out loans directly from Berkeley, deceiving students about institutional grants, hiding costs from students until it's too late for them to withdraw, collecting debt that was not owed, and more. As part of the settlement, Berkeley is required to deliver \$20 million in debt relief to former students, pay \$350,000 to the city, produce a random sample of recorded admissions interviews to DCWP on a monthly basis for two years, and institute new policies.

## **Ohio Attorney General's Office** ***Over 20 Enforcement Actions for Shoddy Home Repair Services***

The Ohio Attorney General's Office filed numerous enforcement actions in 2022 against various companies and individuals for shoddy and incomplete home repair work.<sup>9</sup> In many of these cases, consumers complained that despite making payments, the home repair related services they requested were not provided at all, were not provided in a timely manner, and/or were performed in a substandard manner. These cases pertain to consumers' requests for services such as home remodeling, concrete pouring, fence repair and removal, garage door installation, pole barns, driveway paving, window and door installation, flooring, plumbing, construction, and roofing. In these cases, the Attorney General alleged that the contractors violated consumer protection statutes and home solicitation sales act provisions, and the lawsuits seek consumer restitution, civil penalties, and injunctive relief. In at least one of these cases, the Attorney General filed suit against an individual who was the subject of a prior action and judgment from the Attorney General for violating Ohio's consumer protection laws with a prior iteration of his business.

## **(OH) Cuyahoga County Department of Consumer Affairs** ***Student Loan Campaign and Internet Safety Webpage***

The Cuyahoga County Department of Consumer Affairs partnered with the Student Borrower Protection Center<sup>10</sup> to promote the Limited Public Service Loan Forgiveness Waiver.<sup>11</sup> The agency promoted webinars on the program, created a web page to connect borrowers with local assistance for applying, and pushed information about the program out to schools, hospitals, police chiefs, and municipal governments. Nearly 300 people attended a single lunchtime webinar for County and City of Cleveland employees. Many residents were thankful to hear about the program and successfully applied. One reported that the program eliminated \$100,000 in student loan debt and another said "I'm not going to retire owing on student loans."

<sup>9</sup> For a full listing of these enforcement actions, please see the Ohio Attorney General's Annual Consumer Protection Report, available at <https://www.ohioattorneygeneral.gov/Files/Reports/Consumer-Annual-Reports/2022-Consumer-Annual-Report>

<sup>10</sup> <https://protectborrowers.org/>

<sup>11</sup> The time-limited changes to the Public Service Loan Forgiveness (PSLF) Program rules, referred to as the limited PSLF waiver, allowed borrowers to receive credit for past periods of repayment that would otherwise not qualify for PSLF. This opportunity was announced on Oct. 6, 2021, and ended on Oct. 31, 2022. See <https://studentaid.gov/announcements-events/pslf-limited-waiver>

**"Nearly 300 people attended a single lunchtime webinar... one consumer reported that the program eliminated \$100,000 in student loan debt."**

Cuyahoga County Department of Consumer Affairs

In 2022, Cuyahoga County Department Consumer Affairs supported County efforts to connect low-income residents to broadband services by providing new internet users with information and tools to avoid online scams. The Department's new Internet Safety webpage<sup>12</sup> rounds up trusted resources to help people protect their devices from malware, shield their privacy, and avoid common internet-based scams.

Consumer Affairs gave presentations about internet-based scams and malware to Cuyahoga County's Digital Navigators and partnered with "PCs for People" and "Digital C" to distribute take-home tip sheets to new computer users.

Although the Internet Safety webpage was created for new Internet users, much of the information is also helpful for people who have been online for years. The webpage includes links to a Consumer Reports DIY tool that allows people to tailor privacy and security steps to both their device and the online activities they engage in (ie, gaming, socializing or shopping). The Department continues to build out this page to reflect online dangers and resources to thwart them, and now offers a presentation about the Internet Safety webpage to senior groups around the county. This is a critical step to helping future targets of scammers avoid being victimized.

## **Oregon Department of Justice, Consumer Protection Section**

### *Data Privacy Multistate Settlement*

The Oregon Attorney General's Office led a multistate investigation of Google (with the Nebraska Attorney General's Office) for its location tracking practices and consumer data privacy violations. The investigation resulted in a \$391.5 million settlement - the largest attorney general-led consumer privacy settlement ever. Oregon received \$14.9 million of the settlement.

As outlined in the settlement, Google misled its users into thinking they had turned off location tracking in their account settings, when, in fact, Google continued to collect their location information. In addition to the multimillion-dollar settlement, as part of the negotiations, Google has agreed to significantly improve its location tracking disclosures and user controls starting in 2023. The attorneys general found that Google violated state consumer protection laws by misleading consumers about its location tracking practices since at least 2014. Specifically, Google confused its users about the extent to which they could limit Google's location tracking by adjusting their account and device settings.

The settlement requires Google to be more transparent about its practices. In particular, Google must:

- Show additional information to users whenever they turn a location-related account setting "on" or "off";
- Make key information about location tracking unavoidable for users (i.e., not hidden); and
- Give users detailed information about the types of location data Google collects and how it's used at an enhanced "Location Technologies" webpage.

<sup>12</sup> <https://consumeraffairs.cuyahogacounty.us/en-US/Internet-Safety.aspx>

## South Carolina Department of Consumer Affairs

### *Increased Efficiency and Higher Refunds*

The South Carolina Department of Consumer Affairs (DCA) has managed to make its complaint handling process efficient and successful despite staffing issues. DCA saw a 14% increase in the number of complaints filed (3,977 in 2021 vs. 4,521 in 2022). Despite staff turnover and vacancies in complaint processing positions, DCA has been able to process complaints received in 2022 eleven days faster, on average, than in 2021 (41 average days in 2021 vs. 30 average days in 2022). The average credit, refund or adjustment provided to consumers through the complaint process also increased by \$20 to \$285, up from \$265, during this time.

**"Zurrixx, LLC operated a real estate investment coaching scheme that sold live seminars and telephone coaching using false earnings claims. Utah and the FTC obtained \$12 million from the defendants."**

Utah Division of Consumer Protection

## Utah Division of Consumer Protection

### *Real Estate Investment Coaching Scheme Pays \$12 million to Defrauded Consumers*

The Utah Division of Consumer Protection investigated a real estate investment scheme with the Federal Trade Commission. Consumers alleged that Zurrixx, LLC operated a real estate investment coaching scheme that sold live seminars and telephone coaching using false earnings claims. Tens of thousands of consumers lost thousands of dollars to the scheme. Partnering with home-improvement celebrities, the defendants used hard-sell telemarketing tactics to convince consumers they could make a lot of money in a short amount of time flipping houses under Zurrixx's system. The defendants invited consumers to "free" seminars that ultimately upsold consumers to more expensive paid seminars. The Utah Division of Consumer Protection and Federal Trade Commission worked together to obtain \$12 million from the defendants in consumer redress.

## Virginia – Fairfax Department of Cable and Consumer Services

### *New Customer Relations Module*

Fairfax County Department of Cable and Consumer Services migrated to a new customer relations module (CRM) which is system used for management of complaints, advice, and outreach. This new system allows for enhanced data tracking and reporting. CRM includes a public-facing portal for the online submission of consumer complaints. CRM also has a "complaint look-up" feature available for the public to review complaint summaries and dispositions.

The implementation of the new CRM system provides staff with increased functionality and searchability. Relevant data is collected with the ability to extract for staff and commission reports. CRM is now the standard system for the county which allows for ease in sharing and referring cases to other county agencies.

## **Wisconsin Department of Agriculture, Trade and Consumer Protection**

### ***Successful Audit of Wisconsin "No-Call" Program***

Wisconsin law requires telephone solicitors who contact Wisconsin residents to register with the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) annually. DATCP collaborates with the Federal Trade Commission (FTC) to administer the registration program and in early 2022 identified numerous entities who were retrieving Wisconsin phone data from the FTC but not registering in Wisconsin. DATCP conducted its first program audit to inform and educate noncompliant entities about compliance with Wisconsin laws/rules, promote fair business practices and protect Wisconsin consumers from unsolicited telephone solicitations.

273 entities were identified in the initial audit. They were mailed an advisory letter and asked to respond. Follow-up calls and emails were sent over the following months and at the conclusion of the audit 67 new entities registered. The remainder either provided written affirmations they were not performing telephone solicitations in Wisconsin or were investigated for possible enforcement action.

This effort created a 25% increase in solicitor registrations and generated over \$200,000 in new registration fees. DATCP will perform this audit annually to maintain program integrity and continue protecting Wisconsin consumers.



# APPENDIX A

## Agencies Participating in the 2022 CFA Annual Consumer Complaint Survey

### California

**County of Los Angeles Department of Consumer and Business Affairs**  
<https://dcba.lacounty.gov/>

**San Francisco District Attorney's Office Consumer Protection Unit**  
<https://www.sfdistrictattorney.org/>

### Colorado

**Colorado Department of Law**  
<https://coag.gov/>  
**Interactive map of consumer complaints:**  
<https://coag.gov/protecting-consumers/>

### Connecticut

**Connecticut Department of Consumer Protection**  
<https://portal.ct.gov/dcp>

### District of Columbia

**Office of the Attorney General for the District of Columbia**  
<https://oag.dc.gov/consumer-protection>

### Florida

**Broward County Environmental and Consumer Protection Division**  
<https://www.broward.org/consumer/Pages/Default.aspx>

**Florida Department of Agriculture and Consumer Services**  
<https://www.fdacs.gov/>

**Hillsborough County Consumer Protection Services**  
<https://www.hillsboroughcounty.org/government/departments/consumer>

**Pinellas County Consumer Protection**  
<https://pinellas.gov/department/consumer-protection/>

### Georgia

**Georgia Attorney General's Consumer Protection Division**  
<https://consumer.georgia.gov/>

### Idaho

**Idaho Office of the Attorney General**  
<https://www.ag.idaho.gov/consumer-protection/>

### Maryland

**Howard County Office of Consumer Protection**  
<http://www.howardcountymd.gov/consumer>

**Maryland Attorney General's Office**  
<https://www.marylandattorneygeneral.gov/>

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

### Montana

**Montana Office of Consumer Protection**  
<https://dojmt.gov/consumer/>

### New York

**New York State Division of Consumer Protection**  
<https://dos.ny.gov/consumer-protection>

**New York City Department of Consumer and Worker Protection**  
<https://www1.nyc.gov/dcwp>

### New Jersey

**Bergen Passaic Division of Consumer Affairs**  
<https://bergenpassaicconsumeraffairs.com/>

**Mercer County Consumer Affairs**  
<https://www.mercercounty.org/departments/consumer-affairs>

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

### North Carolina

**North Carolina Department of Justice – Consumer Protection Division**  
<https://ncdoj.gov/>

# APPENDIX A

## *Agencies Participating in the 2022 CFA Annual Consumer Complaint Survey*

### Ohio

#### Ohio Attorney General's Office

<https://www.ohioattorneygeneral.gov/about-ag/service-divisions/consumer-protection>

#### Cuyahoga County Department of Consumer Affairs

<https://consumeraffairs.cuyahogacounty.us/>

### Oregon

#### Oregon Department of Justice, Consumer Protection Section

[www.oregonconsumer.gov](http://www.oregonconsumer.gov)

### South Carolina

#### South Carolina Department of Consumer Affairs

<https://consumer.sc.gov/>

### Tennessee

#### Tennessee Attorney General's Office, Division of Consumer Affairs

[www.tn.gov/consumer](http://www.tn.gov/consumer)

### Utah

#### Utah Division of Consumer Protection

<https://consumerprotection.utah.gov/>

### Virginia

#### Fairfax County Department of Cable and Consumer Services

<https://www.fairfaxcounty.gov/cableconsumer/csd/consumer>

### Wisconsin

#### Department of Agriculture, Trade and Consumer Protection, Bureau of Consumer Protection

<https://datcp.wi.gov/Pages/Homepage.aspx>

# APPENDIX B

## Methodology

This report is based on a survey issued to state and local consumer agencies and research about the top ten consumer complaint categories published by state 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 2022. CFA did not survey federal agencies, nor did it conduct a random survey of consumers. Therefore, this report does not purport to measure all the problems that consumers encountered in the marketplace last year. The survey was conducted in February 2023 and covers a one-year period, in most cases January through December 2022.

The "top ten" categories are based on information from 36 agencies in 25 states. Twenty-nine agencies from 19 states participated in the survey, and an additional six states did not respond to the survey but published their top ten complaint categories and complaint data (see FN1) on their website. Of these agencies, 24 are state agencies, including the District of Columbia; 11 are county; one is city; and one, San Francisco, is both a city and a county. Additionally, all are government agencies.

CFA asked agencies for the top ten consumer complaints as categorized by that agency. Since there is no uniform set of complaint categories that all agencies use, we grouped their responses under general subject headings as necessary.

CFA asked agencies to provide real life examples of complaints by consumers that pertain to the topics in their "top ten" categories. Not all agencies provided complaints, and some agencies provided the actual language of the complaint used by consumers. CFA edited these complaints to reflect a consistent voice and format in an effort to make the report easier to read.

The total number of complaints these agencies reported does not include requests for advice or information. Furthermore, the number of consumers who benefitted from agencies' enforcement actions is often much higher than the number of complaints they received. Similarly, the total amount of money recovered and saved for consumers is understated because some agencies only provide us with the figures that result from mediation, some only provide the amounts of restitution or billing adjustments that resulted from enforcement actions, some combine both, and some include the results of administrative actions, arbitration, and guaranty funds. Additionally, these statistics do not include the amount of money consumers saved because of the advice these agencies provided, nor the savings to courts and businesses due to their informal complaint resolution efforts.

13 **Maine** <https://wgme.com/news/i-team/i-team-here-are-the-top-consumer-complaints-in-maine>

**Missouri** <https://ago.mo.gov/home/news/2023/03/06/attorney-general-andrew-bailey-announces-2022-top-10-consumer-complaints>

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