



**Consumer Federation of America**

# **2020 Consumer Complaint Survey Report**

**July 26, 2021**

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## Introduction

**Consumer Federation of America**<sup>1</sup> conducts an annual survey of city, county and state consumer agencies across the country to ask about the complaints they received in the previous year. Thirty-four agencies from 18 states participated in this year's survey. These agencies mediate a wide variety of disputes between consumers and businesses, and sometimes between businesses. Many state and local consumer agencies are also empowered to take formal action to stop bad practices and obtain restitution. Educating consumers and businesses is another key mission of these agencies.

The survey provides a snapshot of the most common, fastest-growing, worst, and newest types of complaints reported to state and local consumer agencies in 2020. As always, the survey report includes complaint stories from agencies' files, examples of new consumer protection laws enacted in their jurisdictions, and descriptions of agencies' "biggest achievements."

This year's survey report is different than usual, however, due to COVID-19. We asked the agencies about the pandemic-related complaints they received last year and created a special section on that topic, but the impact of COVID-19 is reflected throughout the report. The pandemic forced many businesses to close, disrupted the supply chain, made providing repairs and other services more difficult, led to canceled events and travel plans, and created financial stress for companies and consumers. State and local consumer agencies tried to obtain refunds for consumers when possible, helped to prevent foreclosures and "self-help" evictions, and dealt with a deluge of complaints about price-gouging and pandemic-related scams.

COVID-19 also significantly changed the way state and local consumer agencies operated. Most had to switch to working entirely remotely. Some agencies provided staff with cell phones and laptops and set up secure systems to enable them to work entirely from home. Others sent small numbers of personnel into their offices on a rotating basis to handle the phones and mail. Their staffs sometimes fielded calls about problems totally unrelated to consumer protection because people were unable to get through to other state or local agencies.

Technology became essential to state and local consumer agencies' operations. They encouraged consumers to communicate via email and used online platforms for administrative hearings and educational events that would normally be conducted in person. It was difficult to make these changes on very short notice, but as the report shows, these agencies rose to the challenge and continued to provide vital information and assistance to the public they serve.

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

## Key Findings

- The 34 state and local consumer agencies that participated in the survey collectively handled **280,413 complaints** and **recovered or saved more than \$262,973,073** for consumers in 2020. The number of complaints does not include requests for advice or information nor does it reflect how many consumers benefitted from legal actions agencies took. Furthermore, the amount saved or recovered does not take into account the money that consumers recovered themselves or avoided losing by following the advice agencies provided to them, or the savings to businesses from agencies' successful efforts to mediate disputes with consumers out of court.
- **Eleven agencies listed complaints related to COVID-19 in their top ten**, which resulted in a new category, pandemic, being tied with fraud and household goods at #10 in our top ten complaints. Its actual ranking is probably higher, however, because not all agencies created a separate category for complaints related to the pandemic. Those complaints could be included in credit, entertainment, fraud, health clubs, internet sales, landlord/tenant, retail, travel, services, utilities, and other categories.
- **Pandemic-related complaints topped the lists of worst, fastest-growing, and new complaints last year.** Price gouging was the most commonly-cited problem, but COVID-19 generated complaints about everything from appliance repairs to childcare, trash pick-up to towing.
- One thing that became clear as the pandemic disrupted people's lives and business operations is that **the usual terms of service and cancellation policies do not take into account the unusual circumstances in which consumers found themselves last year.** Weddings and other events had to be canceled because of limits to how many people could gather, vacation rentals were curtailed in some places, and stay-at-home orders as well as concern about the safety of travel led to canceled flights and cruises. Consumers felt that it was unfair for businesses to invoke their usual cancellation and refund policies in these situations. In many cases, state and local consumer agencies were able to obtain refunds for them, but not always.
- **Crooks took advantage of the pandemic**, as they do with all disasters, natural or man-made, to offer miracle cures for COVID-19 such as colloidal silver products and radish paste.
- **Among the new problems consumers reported last year was the imposition of "COVID-19 surcharges"** by businesses such as dentists and restaurants. While businesses may have incurred additional expenses to take safety precautions in public health emergencies, these surcharges ran afoul of existing laws or government edicts.
- Even as state and local consumer agencies dealt with a host of pandemic-related problems last year, **consumers continued to make complaints about auto sales, home improvement, telephone solicitations, and other common issues.** In the credit and debt category, one agency noted that while the increased availability of "Fintech financing" offered at the point of sale has been helpful for consumers, especially those with bad credit or thin credit files, it has led to an increase of complaints from consumers who did not understand the terms of the contracts they entered into and that, in some cases, they cannot afford. Sometimes these credit offers are used to lure consumers into expensive "rent to own" transactions without their realizing it.

## Top Ten Complaints in 2020

1. **Auto:** Misrepresentations in advertising or sales of new and used cars, deceptive financing practices, defective vehicles, faulty repairs, car leasing and rentals, towing disputes.
2. **Home Improvement/Construction:** Shoddy work, failure to start or complete the job, failure to have required licensing or registration.
3. **Landlord/Tenant:** Unhealthy or unsafe conditions, failure to make repairs or provide promised amenities, deposit and rent disputes, illegal eviction tactics.
4. **Credit/Debt:** Billing and fee disputes, mortgage problems, credit repair and debt relief services, predatory lending, illegal or abusive debt collection tactics.
5. **Services:** Misrepresentations, shoddy work, failure to have required licensing or registration, nonperformance.
6. **Utilities:** Complaints about gas, electric, water and cable billing and service.
7. **Retail Sales:** False advertising and other deceptive practices, defective merchandise, problems with rebates, coupons, gift cards and gift certificates, failure to deliver.
8. **Travel:** Misrepresentations about cost, amenities or other aspects of travel packages, failure to provide promised services, disputes about refunds.
9. **(Tie) Health Products/Services:** Misleading claims, unlicensed practitioners, failure to deliver, billing issues; **Internet Sales:** Misrepresentations or other deceptive practices, failure to deliver online purchases.
10. **(Tie) Pandemic:** price gouging, refunds for canceled events and travel, financial issues, problems getting repairs and other services, “self-help” evictions, scams, and other complaints stemming from the pandemic; **Fraud:** Bogus sweepstakes and lotteries, work-at-home schemes, grant offers, fake check scams, imposter scams and other common frauds; **Household Goods:** Misrepresentations, failure to deliver, repair issues in connection with furniture and major appliances.

This ranking is based on the categories that appeared most frequently in state and local agencies’ “top ten” complaint lists. See **Methodology** for further details. Eleven agencies listed complaints related to COVID-19 in their top ten, which resulted in a new category, pandemic, being tied with fraud and household goods at #10 in our top ten complaints. Its actual ranking is probably higher, however, because not all agencies created a separate category for complaints related to the pandemic. Those complaints could be in credit, entertainment, fraud, health clubs, internet sales, landlord/tenant, retail, travel, services, utilities, and other categories.

The consumer agencies that participated in the survey are listed in **Appendix A**. Examples of complaints from many of those agencies can be found in the **Pandemic Complaints, Real World Complaints** and **Consumer Agencies’ Biggest Achievements** sections of this report. Tips for consumers are provided at the end of the **Pandemic Complaints** section and throughout **Real World Complaints**, and are compiled in **Appendix B**.

## Worst Complaints in 2020

CFA asked state and local agencies about the worst complaints they received last year based on the number of complaints about a particular topic or company, the dollar amount involved, the impact on vulnerable consumers, or the sheer outrageousness of the situation. **Complaints related to COVID-19 topped the list of worst complaints.** In their responses, agencies particularly cited price gouging, evictions, business closings, canceled events and travel, and schools and childcare in their responses.

Other worst complaints included auto sales and repairs, business services, fraud, home improvement, internet sales, landlord/tenant, robocalls, timeshares, and towing.

## Fastest-Growing Complaints in 2020

**Complaints related to COVID-19 were cited as the fastest-growing complaints by more than half of the agencies that responded to the survey.** Other fastest-growing complaints involved auto repairs, home improvement, homeowner associations, internet fraud, online shopping, and robocalls.

## New Consumer Problems in 2020

Not surprisingly, **complaints related to COVID-19 topped the list of new complaints last year.** While state and local agencies located in areas that are prone to blizzards, hurricanes, floods and wildfires have experience with price gouging, it was a new problem for many of the agencies. Other specific pandemic-related complaints cited in answer to this question were “COVID-19 surcharges,” refunds for cancelling vacation rentals, bogus cures, and delivery problems caused by supply-chain disruptions.

Examples of complaints related to COVID-19 are provided in **Pandemic Complaints**, starting on page 9.

Examples of other new complaints that agencies mentioned are in **Real World Complaints**. These include:

- Brokering professional licenses (see page 61)
- Private towing citations (see page 10)
- Inmate consumer issues (see page 35)
- Offers to sell people’s vacant lots (see page 58)

There are also examples of complaints in **Consumer Agencies’ Biggest Achievements**, starting on page 64 of this report.

## New Consumer Protections in 2020

We asked state and local consumer agencies about new laws, regulations or ordinances that were enacted in their jurisdictions last year to better protect consumers. Many of the examples they provided are directly related to the COVID-19 pandemic.

### Debt Collection

#### *New York*

The **New York City Department of Consumer and Worker Protection** implemented new [rules](#) to protect Limited English Proficiency (LEP) consumers from deceptive debt collection practices. The new rules, which went into effect on October 1, 2020, require debt collection agencies to:

- Inform consumers of any translation or other language access services that are available;
- Notify consumers about a [glossary](#) of commonly-used debt collection terms that is available in multiple languages on DCWP's website;
- Request, record, and retain a record of each consumer's preferred language;
- Provide information about the consumer's preferred language if they send the person's debt back to the creditor, sell the debt, or refer it to litigation; and
- Maintain a report of the number of accounts where they have tried to collect on a debt in a language other than English.

These rules fulfill policy recommendations in the consumer agency's 2019 report, "[Lost in Translation: Findings from Examination of Language Access by Debt Collectors](#)," which highlighted the lack of language access services for LEP consumers by debt collection agencies. The report was based on a two-year investigation which found that a majority of the licensed debt collection agencies that were examined did not offer language assistance services to consumers to ensure they could understand the collection process. As a result of these new rules, LEP communities are now more aware of their rights when contacted by a debt collector and less vulnerable to unscrupulous debt collection practices.

### Employment

#### *California*

In November 2020, the Los Angeles County Board of Supervisors passed an [urgency ordinance preventing retaliation](#) for workers who reported possible public health violations at their workplace. The **Los Angeles County Department of Consumer and Business Affairs** was tasked with investigating alleged violations of the law by employers.



## Financial Assistance

### *California*

In September 2020, the Los Angeles Board of Supervisors passed a motion to reallocate \$5.5 million to expand [foreclosure prevention counseling services](#) in the county and to establish a mortgage relief fund. The **Los Angeles County Department of Consumer and Business Affairs** partnered with community-based counselors to provide foreclosure prevention counseling services to property owners. Furthermore, eligible property owners may qualify for up to \$20,000 to pay for missed mortgage payments.

### *Florida*

Through CARES Act funding, individuals who lost a job or significant income from the pandemic could apply for financial assistance up to \$5,000 per household to pay for rent, mortgage, or utility payments during the period from March through December of 2020. In Pinellas County, Florida, staff from multiple departments, including several staff members from **Pinellas County Consumer Protection**, assisted consumers with the application and approval process.

## Home Improvement/Construction

### *Florida*

The Hillsborough County Board of Commissioners voted to end participation in the Property Assessed Clean Energy program, which allows consumers to make energy efficiency, renewable energy, and water conservation upgrades to their homes with loans that are paid through their property taxes, after a presentation by the **Hillsborough County Department of Consumer & Veterans Services** about consumer problems related to the program (see Consumer Agencies' Biggest Achievements, page 66)

Florida raised the exemption from the requirement to be licensed to perform home improvement work from \$1,000 to \$2,500, effective July 1, 2020, in order to make it easier for “handymen” to offer their services.

## Landlord/Tenant

### *California*

The **Los Angeles Department of Consumer and Business Affairs**, the primary centralized agency to handle landlord/tenant issues for the county, was tasked with enforcing several new ordinances last year. On April 1, 2020, a permanent [Rent Stabilization Ordinance](#) went into effect for eligible rental units in the unincorporated areas of Los Angeles County, which replaced a temporary ordinance. A similar ordinance was approved by the County's Board of Supervisors for mobile homes. In addition, due to the COVID-19 emergency, the Los Angeles County Board of Supervisors approved a [temporary eviction moratorium and rent freeze](#). These new rules temporarily replace many parts of the Rent Stabilization Ordinance and have remained in place into 2021. An updated website, [rent.lacounty.gov](http://rent.lacounty.gov), was launched to provide the public with information about these legal protections.

## Price Gouging

### *California*

In March 2020 the California Governor issued an Executive Order regarding price gouging during the pandemic state of emergency. In response, the **San Francisco District Attorney's Office** established a Price Gouging Task Force to address complaints of price gouging within the city. Over a period of approximately three months the Task Force received more than 100 complaints from consumers who believed that merchants were raising prices beyond the allowed amounts. Each complaint was investigated. When it appeared that prices had been raised improperly, the merchants were notified and asked to show documentation that either their prices had not been raised, or that they met the criteria for being raised beyond the allowed percentage. This work had the desired effect: after the first few months, as word spread within merchant associations about the law and enforcement efforts, price gouging was no longer widespread and no more complaints were reported.

### *Maryland*

Maryland did not have a price gouging law prior to the pandemic, but last year the state Governor put a price gouging ordinance in place, which the legislature then passed as a statute. It prohibits raising the profit margins for particular categories of goods and services by more than 10 percent during a state of emergency. This law was in effect from March 23, 2020 until April 30, 2021.

### *Massachusetts*

Last March, in response to widespread reports of price gouging, the **Massachusetts Attorney General's Office** amended its consumer protection regulations, adding a new section that prohibits charging an "unconscionably high price" for essential goods and services during a declared statewide or national emergency. Prior to the amendment, the regulation only covered price gouging of petroleum products. It applies to businesses at any point in the chain of distribution. Whether a price is "unconscionable" can be measured as either an increase from the pre-emergency price or relative to the price being offered by other businesses. However, a price is not unconscionable under the regulation if the increase is caused by a supplier or market disruption. Many of the price gouging complaints the agency received were found to be due to supply chain disruptions as markets struggled to adapt to more people staying home and demand for personal protective equipment soared. Where price increases were not justified by supplier prices and appeared unconscionable, the agency was usually able to obtain refunds for consumers.

### *New York*

In the early days of the pandemic, it became clear that New York State's existing price gouging statute, which prohibited selling or offering consumer goods or services for sale at "unconscionably excessive prices" during an abnormal disruption of the market, was not effectively preventing profiteering off the lifesaving equipment New York hospitals desperately needed. Consequently, last June the Governor signed an amendment to the law specifically adding medical equipment and personal protective equipment to the list of items for which excessive prices were prohibited during a State of Emergency. Most importantly, it expanded the scope of the statute from covering only individual consumers to

protecting the public at large, including businesses, nonprofits, and governmental agencies, from being victimized by price gouging.

Due to the influx of price gouging complaints at the start of the pandemic, the **New York City Department of Consumer and Worker Protection** [declared](#) that face masks, hand sanitizer, and disinfectant wipes were in short supply, making it temporarily illegal to drastically increase prices for those products. Several weeks later, in order to cover other COVID-19-related products and services, the agency promulgated an emergency [Rule](#) that made price gouging illegal for any personal or household good or any service that is needed to prevent or limit the spread of or to treat COVID-19, such as face masks, hand sanitizer, disinfectants, soap, cleaning products, and diagnostic products and services. The Rule was intended to ensure all New Yorkers, and in particularly lower-income New Yorkers, had access to face masks and other protective gear and services necessary to reduce transmission rates and protect their communities. In May 2020 the rule was [extended](#) for an additional 60 days and, as part of the extension, the agency proposed a new permanent Rule that contemplates future emergencies. The permanent Rule took effect on June 26, 2020 and makes price gouging illegal for any products or services essential to health, safety and welfare during a declared state of emergency. Last November, the agency released an [analysis](#) that showed that the neighborhoods with the most price gouging complaints were many of the same neighborhoods that were hardest hit by COVID-19. These neighborhoods, which are majority Black and Hispanic, are already financially vulnerable and, with median household incomes of approximately \$30,000, can least afford to be charged excessive prices on lifesaving items.

## Pandemic Complaints

Many of the state and local consumer agencies we surveyed shared information about how COVID-19 affected consumers and businesses last year and provided examples of complaints related to the pandemic. There are also references to the pandemic in the **Real-World Complaints**, starting on page 29, **New Consumer Protections**, beginning on page 5, and **Consumer Agencies' Biggest Achievements**, beginning on page 64. At the end of this section, we provide **Pandemic Tips** for consumers.

One thing that became clear as the pandemic disrupted people's lives and business operations is that the usual terms of service and cancellation policies do not take into account the unusual circumstances in which consumers found themselves last year. Weddings and other events had to be canceled because of limits to how many people could gather, vacation rentals were curtailed in some places, and stay-at-home orders as well as concern about the safety of travel led to canceled flights and cruises. Consumers felt that it was unfair for businesses to invoke their usual cancellation and refund policies in these situations. In many cases, state and local consumer agencies were able to obtain refunds for them, but not always.

Canceled events and trips were not the only pandemic-related problems reported to consumer agencies, however. The financial stress, supply-chain issues, and short-staffing that resulted from the pandemic impacted everything from appliance repairs to childcare, trash pick-up to towing. Tenants' inability to pay their rent caused some landlords to resort to "self-help" evictions. In addition, crooks and opportunists took advantage of the pandemic to offer miracle cures, play on people's loneliness to fraudulently advertise puppies for sale, and charge exorbitant prices for sought-after products such as toilet paper, masks, and hand-sanitizer.

### Auto

#### *Arkansas*

Used car sales were one of the fastest-growing complaint categories last year at the **Arkansas Attorney General's Office**. The agency attributes this in part to the stimulus payments, which helped consumers who couldn't afford new cars to shop for newer used ones. The agency specifically noted a rise in complaints about dealers not providing the titles for used cars. When a car is traded in with an existing loan on it, the dealer typically pays it off to free the previous owner from the loan obligation and provide clear title to the new owner. If the dealer is in financial straits and unable to pay the loan, it leaves the previous owner still on the hook to the lender and the new owner unable to register the vehicle.

#### *District of Columbia*

A man complained to the **District of Columbia Attorney General's Office** that the garage he paid to park his car in closed last March due to the COVID-19 pandemic but continued to charge him the monthly fee. He tried to reach the business but got no response. The consumer agency obtained a \$250 refund for him.

## *Florida*

It was a lovely evening in Florida, and a woman parked her car in a lot at a beach to go for a stroll. When she attempted to put money in the meter, she found that the screen was frozen. A resident who lived nearby informed her that people were not being charged for parking due to the pandemic. When she returned to her car, however, there was a \$75 citation from the private company that operates the lot. She filed an appeal, which was denied without explanation. The woman called and emailed the company multiple times, with no response. She filed a complaint with the **Broward County Environmental and Consumer Protection Division**, which got the ticket withdrawn.

## *North Carolina*

The **North Carolina Attorney General's Office** obtained a preliminary injunction against Charlotte-based trucking company A1 Towing Solutions, Inc. and its owner after suing them for allegedly improperly and predatorily booting or towing trucks that were delivering food, water, bleach, or needed medical supplies during the pandemic, even though the drivers had permission to park the trucks where they did. The defendants then allegedly forced drivers to pay excessive fees – up to \$4,400 – to regain access to their trucks. These actions delayed the delivery of critical supplies that people needed to respond to this crisis.

## Business Services

### *New York*

Last February, a woman in New York signed up for membership in Angie's List to promote her small business, but a month later when COVID-19 hit and her business had to close, she contacted the company to cancel her account. Angie's List refused to cancel or even pause her membership and continued to charge her credit card \$350 per month. When the woman continued to demand that her membership be canceled, Angie's List offered to do so if she paid a \$1,196 early termination fee. With her business closed for several months, the woman couldn't afford the monthly charges or the early termination fee, so she contacted the **New York State Division of Consumer Protection** for assistance. The consumer agency reached out to Angie's List and was able to arrange for the fee to be waived and a refund of \$268.33.

## Canceled Events

### *Arkansas*

The **Arkansas Attorney General's Office** received many complaints last year from consumers whose plans to hold or attend events were thwarted by COVID-19. One service member had arranged to have his wedding at a venue but could not get there because the military forbade travel due to the pandemic. The operator of the venue refused his request to cancel and get a refund; even a letter from the consumer agency failed to sway it.

## California

A California company offers “wine safaris” that allow consumers to sample fine vintages while viewing wild animals on sprawling ranchland. The venue is a popular place for birthday celebrations, bachelorette parties, and other get-togethers with family and friends. When the business was forced to close due to the state’s “stay at home” order, numerous consumers complained to the **Los Angeles Department of Consumer and Business Affairs** about inability to get refunds for their tickets, which ranged between \$300 and \$1,200. The company has not been responsive; the investigation is ongoing.

## Connecticut

A Connecticut woman hired a company to provide a photographer for her wedding. When the wedding was postponed because of COVID-19 restrictions ordered by the Governor, the woman notified the company of the new date, but she was unable to confirm that a photographer would be available then, so she initiated a chargeback with her credit card issuer and filed a complaint with the **Connecticut Department of Consumer Protection**. The company claimed that it was not obligated to give the woman a refund because she canceled the wedding and the contract stated that no refunds would be made for cancellations. The company also contended that it had the right under the contract to bill her an additional \$500 because she requested a chargeback, and continued to send her bills for \$500 even after the consumer agency contacted the company about the complaint. The consumer agency advised that the cancellation policy did not apply because the wedding was postponed, not canceled, and pointed out that the contract contained a force majeure clause, which required the company to issue a refund if it could not perform the service on the agreed-upon date due to unforeseen circumstances. Because the company was unable, due to the Governor’s orders, to provide a photographer on the agreed-upon date, the woman was owed a refund. The consumer agency also noted that the clause providing for the \$500 fee in the event of a chargeback was not in the contract the woman signed; it was added to the company’s contracts after the pandemic began. Attempts to collect the fee could therefore constitute unfair and/or deceptive acts in violation of Connecticut law. The company agreed to fully refund the woman’s \$6,000 payment.

## District of Columbia

Another wedding-related pandemic complaint story came from the **District of Columbia Attorney General’s Office**. A young couple had planned a river boat fireworks cruise as part of their wedding. Because public gatherings were restricted to 10 people and they had invited 60, they asked to cancel the cruise. The business refused to cancel without penalty. The couple were given a choice of losing 25 percent of their deposit if they canceled by a certain date or 100 percent if they waited longer to cancel. With the help of the consumer agency they were able to obtain a full refund of \$1,750.

The **District of Columbia Attorney General’s Office** also received complaints about sports events canceled due the pandemic. One man had paid \$4,276 for tickets to a baseball game that could not be held. Six weeks after the scheduled game day, he still hadn’t received a refund. The consumer agency helped him get the money back.

## *Florida*

A Florida woman was due to be married last June, with 136 guests expected to attend from all over the country and even South America. Because of concerns about safe travel during the pandemic, she wanted to postpone the event but the wedding venue refused, insisting that it was open for business, and would not refund her money if she canceled. The **Hillsborough County Department of Consumer & Veterans Services** was able to negotiate an agreement to reschedule the wedding for a later date.

## *Maryland*

In January 2020, a Maryland man signed a contract to have a family event in March catered. He paid a deposit, the balance due a week before the event. When the pandemic struck, he worked out an agreement with the caterer to provide him with a partial refund and reschedule the event for later that year. As the pandemic escalated, however, he decided that it would be better to postpone the event until 2021. After several months of trying to contact the caterer without receiving a response or the partial refund he'd been promised, he filed a complaint with the **Montgomery County Office of Consumer Protection**. Through conciliation, the parties agreed that the contract would be canceled and the caterer would provide the man with a partial refund of almost \$5,000 to be paid in installments over six months.

In another complaint to the **Montgomery County Office of Consumer Protection** about a canceled event, a consumer contracted with a venue for a Bar Mitzvah reception to be held last April. Because of pandemic restrictions it had to be canceled and the business that operated the venue agreed to refund the \$1,600 the family had paid. Several months went by, however, and all the consumer got were excuses. After the consumer agency contacted the business, the money was finally refunded.

## *New Mexico*

A New Mexico woman booked a hall through an event service in 2019 for a party she was going to have in 2020, but the party had to be canceled due to COVID-19 restrictions. She asked for her deposit to be refunded but the business refused. With the help of the **New Mexico Attorney General's Office** an agreement was reached to refund 50 percent of the deposit.

## *New York*

In February of last year, a man purchased tickets for three suites at Yankee Stadium for three games during the 2020 season. The total cost was \$11,600. The season was canceled in May, before the games that the tickets were for, but the Yankees only made a refund of \$3,920 for one game. The gentleman tried numerous times to get the rest of the money back but was unsuccessful. The **New York State Division of Consumer Protection** came to the rescue and obtained a refund for the balance of \$8,480.

Another sports-event related complaint to the **New York State Division of Consumer Protection** was from a young woman who purchased tickets on Stubhub for a hockey game between the Rangers and Sabres. The tickets were a gift to her husband for their "babymoon." When the game was canceled due to COVID-19, she got an email stating that she would receive a 120% coupon, which had to be used by December 31, 2021. With a newborn baby, however, she was unable to go to a game and requested a refund, which was refused. The consumer agency contacted Stubhub, which agreed to make a full



refund of \$708.38 but said it would take 120 days to process. After the agency reached back out to StubHub, the woman received the money in less than two weeks.

The worst complaint to the **New York State Division of Consumer Protection** about a canceled event involved a couple who reserved the Gramercy Park Hotel for their wedding, to be held in May, 2020. They prepaid the full cost, \$52,826.76. In March, they amended their contract with the hotel to postpone the wedding until July and include a provision providing for a full refund if the pandemic continued. By May, it was obvious to the couple that the pandemic wasn't ending anytime soon and the groom informed the hotel that they wanted to cancel. The hotel promised that the refund would be issued by the end of the month. On June 1 the man inquired about the refund and was told there would be an indefinite delay in processing it. Once the consumer agency got involved, the hotel promptly returned the money.

### *Pennsylvania*

**Bucks County Consumer Protection/ Weights & Measures** has received many calls from brides and grooms about problems with their wedding plans arising from COVID-19 restrictions. Many caterers and event halls attempted to get consumers to voluntarily postpone their weddings until 2021. Unfortunately, because the most popular days for weddings, Fridays and Saturdays, were already booked, consumers were only offered weekdays or Sundays. Those who did rebook signed new contracts that, in many cases, contained even more stringent restrictions on their ability to cancel and get refunds. If the consumers had waited until their weddings were originally scheduled, they probably would have been able to assert that their money should be returned since the pandemic restrictions made it impossible for the businesses to perform their commitments under the contracts. Understandably, many consumers wanted to lock in new dates for their weddings. In some cases, however, the restrictions on the number of people who could gather still had not eased sufficiently by the new dates for the weddings. While efforts to mediate these wedding complaints have sometimes been successful, in other cases consumers have had to resort to private litigation.

### Credit /Financial Services

#### *Arkansas*

The **Arkansas Attorney General's Office** received a complaint from a woman whose federal stimulus money was deposited into a Green Dot prepaid card account. Her access to that account was subsequently restricted, preventing her from using the funds. The agency was able to help get the hold released.

#### *California*

Most of the calls last year to the Foreclosure Prevention Unit at the **Los Angeles County Department of Consumer and Business Affairs** were from homeowners who were having trouble making their mortgage payments on time due to financial problems resulting from the pandemic. Under the CARES Act, many mortgagors were eligible to approve homeowners for up to 18 months of forbearance, which enabled the homeowners to pause or reduce their payments temporarily. Among the consumers who sought the agency's help were two women who desperately needed forbearance assistance. One was a single mom, who was barely making ends meet and could not make her mortgage payments because



the state “Safe At Home” restrictions forced her to shutter her small business. Another was an elderly woman whose main source of income was rent from the property she owned – rent that her tenants were unable to pay because they were unemployed due to pandemic. When the consumer agency contacted the mortgage servicers on behalf of the women, they were both approved for six months of forbearance, after which they could apply for loan modifications. The consumer agency was also able to get late fees and other charges waived, saving the women a total of \$6,902.50. Most importantly, their properties were saved from foreclosure.

## Food

### *California*

With many people ordering take-out food during the pandemic, the **San Francisco District Attorney’s Office** received a spate of complaints last year against delivery services from consumers who received the wrong orders. In one case, a man was irate because he got the wrong toppings on his pizza and was unable to reach anyone at in the delivery service’s customer service number. The consumer agency got him a refund and established a direct contact at the company in the event of other complaints.

### *New York*

A consumer complained to the **New York State Division of Consumer Protection** that a local restaurant was adding a surcharge when customers paid by credit card. The restaurant insisted it was following the law and said its credit card processor had assured it that the practice was acceptable. However, the agency explained that under New York law, businesses that charge differently for credit cards must publish their prices to reflect the higher credit card amount. A business can offer a discount to cash-payers but cannot add an extra charge for paying with a credit card. The restaurant provided that information to the credit card processing company, which quickly adjusted its software to eliminate the surcharge and notified its all of its clients of the change. The consumer agency issued a press release to help educate consumers and businesses about this issue.

## Fraud/Misleading Claims

### *Arkansas*

The **Arkansas Attorney General’s Office** received complaints last year about medical providers charging consumers for products or services that would supposedly cure or eliminate COVID-19. In one such case, an Arkansas chiropractic office targeted the Hispanic community with deceptive ads for treatments related to COVID-19. The agency has filed suit against the practice.

Other “bad actors” offering testing or cures for COVID-19 have been investigated by the **Arkansas Attorney General’s Office**. For example, the agency has brought suit against a Missouri televangelist who sold colloidal silver products to Arkansans using false and deceptive marketing claims. It also stopped an unlicensed provider from screening Arkansans for the coronavirus and a New Jersey-based company from using scare tactics and false and deceptive marketing claims to sell its sanitizing products.

### *California*

Last July, investigative work by the **Los Angeles County Department of Consumer and Business Affairs** helped the office of Los Angeles City Attorney to resolve a case against a local company, Insan Healing, and its CEO, Angela Oh, for allegedly advertising and selling radish paste as “a must-have product for the protection and prevention of the COVID-19.” The settlement provided for full restitution to consumers, a broad injunction, and a \$20,000 civil penalty. The consumer agency is part of a task force alongside the City Attorney, the Los Angeles County District Attorney, and the Los Angeles County Counsel that has collaborated on investigations related to price gouging and COVID-19 scams.

### *Florida*

Investigators at **Pinellas County Consumer Protection** began proactively reviewing advertisements and claims of COVID-19 cures and disinfectants last year. One investigator observed signs being posted around the county indicating that a local company could provide fogging services to “kill Coronavirus.” As it happened, the company wasn’t properly licensed to provide fogging services, so the consumer agency collaborated with state agency partners to ensure appropriate administrative and regulatory follow-up.

### *New Mexico*

Last year the **New Mexico Attorney General’s Office** became aware of a company that falsely claimed it could install an air purification system with UVA lighting to kill the COVID-19 virus. The matter is still pending.

### *Ohio*

The **Cuyahoga County Department of Consumer Affairs** attributed the increase in puppy scams last year (see page X), at least in part, to people trying to buy Cockapoos, Great Danes, Goldendoodles and other types of dogs to help them get through the quarantine.

### *Tennessee*

In November 2020 the **Tennessee Attorney General’s Office** announced a settlement with DOC Disinfectant (DOC) for making allegedly deceptive and misleading claims related to its cleaning products and services throughout the COVID-19 pandemic. The complaint alleged that DOC claimed its products and services were FDA and EPA approved, could eliminate COVID-19, and protect against the virus on surfaces for up to 90 days. On its website, DOC also presented the logos of well-known, recognizable companies like Panda Express, Sweetgreen, Charter Communications, McDonald’s, and iHeartRadio. Most confirmed they never worked with DOC or approved the use of their logos. Following a letter from the agency in May 2020, the company continued to imply on its website that its cleaning solution could protect against COVID-19. The settlement requires DOC, which denies any wrongdoing, to pay \$5,000.00. It is also prevented from:

- Making any deceptive or misleading claims that products or services are effective against COVID-19;
- Falsely representing to consumers that any product or service has United States Environmental Protection Agency approval or Food and Drug Administration approval;

- Falsely representing to consumers that any product or service has the approval of the Attorney General of any State;
- Falsely representing to consumers that any product or service has the approval of the Commissioner of Agriculture or Department of Agriculture of any State;
- Falsely representing to consumers that Defendant provides service to any persons or entities.

## Health Clubs/Gyms

### *District of Columbia*

Problems with health spas and gyms were the fastest-growing complaints to the District of Columbia Attorney General's Office last year, rising in the agency's top complaints from #5 in 2019 to #1 in 2020. Many of these complaints stemmed from the fact that the COVID pandemic forced these kinds of businesses to close. Many consumers found themselves unable to cancel their memberships, being charged even though they couldn't use the services, unable to get refunds, and unable to get any information from the businesses. Last August the agency filed a lawsuit against one area gym for failing to abide by promises it made to customers that it would freeze their memberships, credit them for dues paid while the facilities were inaccessible, and process requests for cancellations. The matter is pending.

### *Florida*

A consumer reported to the **Florida Department of Agriculture and Consumer Services** that a gym was operating despite the Governor's Executive Order for such businesses to shut down. There were other complaints about gyms claiming that they had been given special permission to remain open by the mayors of the cities in which they were located. The consumer agency issued warnings for possible violations of the order.

### *New Mexico*

The **New Mexico Attorney General's Office** received several pandemic-related complaints about gym cancellations and refunds. In one example, when a gym closed in March 2020 the complainant was told he could freeze his membership so he wouldn't be charged. However, he was charged \$43.14 for the month of June. When he took it up with the gym, he was offered a 50 percent credit instead of a full refund. In disgust, he canceled his membership and was charged a fee for doing so. The consumer agency got his money back.

### *New York*

A Long Island man's credit card was automatically charged \$987 on March 28, 2020 for ten personal training sessions at LA Fitness, even though the Governor had closed all gyms on March 15. When he contacted the corporate office in California, he was told the company did not make refunds for personal training sessions. The **New York State Division of Consumer Protection** got his money back.

## Household Goods

### *Arkansas*

The **Arkansas Attorney General's Office** noted an increase in furniture and appliance-related complaints that appeared to be largely due to the businesses' inability to obtain the merchandise due to supply chain problems caused by the pandemic. For instance, one compliant was from a woman who purchased a seven-piece furniture set in late 2019. It is not unusual for furniture orders to take several weeks to be fulfilled, but by March 2020 the merchandise had not arrived and the store said it could not provide a delivery date. The only resolution was to cancel the order and refund the consumer's money. The biggest problem was the lack of communication from businesses to customers about the status of their orders, but there was no way that they could accurately say when the items would be shipped.

## ID Theft

### *Arkansas*

Most of the identity theft inquiries and complaints the **Arkansas Attorney General's Office** received last were about fraudulent unemployment claims filed using consumers' personal information. The agency worked with local law enforcement and the state unemployment benefits administration to coordinate reporting and investigation of these fraudulent claims.

## Internet Service

### *Arkansas*

With stay-at-home orders forcing people to go online for work, school, medical appointments, grocery shopping and other activities they normally would do in person, the **Arkansas Attorney General's Office** received many complaints about inconsistent internet service and slow internet speeds. Some internet service providers removed data caps at the start of the pandemic and provided tips to help consumers deal with these issues.

## Landlord/Tenant

### *Florida*

A consumer who was relocating to Florida for work signed a lease for a condo in March 2020 and was scheduled to move in on April 15. Before the move could take place, the pandemic struck and the person's employer put all job transfers on hold. The landlord asked for documentation of this in order to refund the deposit. After providing it, the consumer called and texted the landlord a dozen times. Having received no response, the consumer complained to the **Florida Department of Agriculture and Consumer Services**, which contacted the landlord. The landlord insisted that no refund was required in this situation, however, and refused to make an exception.

## *Maryland*

During the pandemic, many states implemented moratoriums on evictions. Consumer agencies received reports of landlords resorting to “self-help” evictions; sending tenants threatening notices, shutting off their utility services, and even forcibly removing them and their belongings from their property. One woman complained to the **Maryland Attorney General’s Office** that every time she tried to renew her lease, she was told there was an error in the document and was asked to sign another one. She was never told what the errors were, but after signing leases seven times, she refused to do so again unless the landlord agreed to make repairs she had previously requested. The landlord then threatened to evict her and change the locks on the doors. The agency explained to the landlord that evictions could only be done through the courts and arranged for the tenant to be given a key to the new locks. It also mediated an agreement regarding the lease and the repair work.

## *Massachusetts*

The **Massachusetts Attorney General’s Office** provided an example of a particularly egregious case in which a landlord allegedly used physical violence against one tenant and attempted to have another tenant deported by ICE to remove them from their apartments. The agency sued the landlord under the state’s civil rights act, consumer protection statute, and fair housing laws and sought emergency injunctive relief to protect the tenants and witnesses in the case from any further harassment.

## *Virginia*

A woman asked the **Fairfax County Department of Cable and Consumer Services** for assistance to get her lease, which was due to end on March 31, 2020, extended. Her father, who was 72, had an accident and needed to move in with her until she could find a new home with a first-floor bedroom, no steps, and allowed pets. Due to the COVID-19 quarantine, the search was difficult and she requested more time to find a suitable place. The consumer agency tried to mediate with the landlord’s attorney, but to no avail, and the woman had to move out at the end of the lease term.

## Medical Billing

### *Arkansas*

An Arkansas man went to the hospital to get a COVID-19 test. He made clear that the test had been ordered by his doctor and provided his insurance information. The test was performed in the emergency room, after which he was sent a bill for an emergency room visit instead of a COVID-19 test. When the **Arkansas Attorney General’s Office** contacted the hospital on the man’s behalf, it acknowledged the error and retracted the bill. The hospital also changed its COVID-19 testing procedures to avoid similar billing problems in the future.

### *New York*

The **New York State Division of Consumer Protection** received a complaint from a Long Island man whose dentist added a \$25 surcharge to his bill for personal protective equipment. The charge was not covered by insurance and not permitted under guidance issued by the state Department of Financial Services. The dentist agreed to refund the \$25.

## Price Gouging

### *Arkansas*

Hundreds of consumers complained to the **Arkansas Attorney General's Office** last year about price gouging for essential supplies. For instance, one man reported that a store was charging \$13.48 for an eight-ounce container of hand sanitizer that would normally only cost a few dollars. The Attorney General held a press conference and produced public service announcements to educate consumers and businesses about Arkansas's price-gouging laws. The agency also proactively contacted Walmart, Amazon, eBay, Facebook and other online platforms to establish processes for investigating complaints and blocking illegal transactions.

### *California*

The worst complaints to the **Los Angeles Department of Consumer and Business Affairs** last year were about price gouging for products such as face masks, gloves, hand sanitizers and disinfecting cleaners, water and food. One large retailer was accused of charging a consumer \$13.99 for boxes of latex gloves it advertised the same day for \$7.99. The business blamed the price increase on its supplier and agreed to refund the overcharge. Many price gouging complaints were against sellers on third-party online marketplaces or who operated as street vendors. These complaints were sometimes difficult to investigate because the sellers were outside of the country or could not be located at all.

### *District of Columbia*

To deal with the high number of complaints it was receiving about illegal price increases during the pandemic, the **District of Columbia Attorney General's Office** created a Price Gouging Team within the consumer protection unit. The agency issued 26 cease and desist letters last year and filed two lawsuits. One suit was against a convenience store that was selling bottles of Clorox Bleach for 200 percent more than the price offered by other retailers in the area, and continued doing so even after receiving a hand-delivered cease and desist order. The other was against a gas station that essentially doubled its profits.

### *Maryland*

A Maryland company that makes a dispenser for hand sanitizer was so deluged with orders that it could not keep up with them. To try to slow the orders down until production could catch up, it raised the price ten-fold. Unfortunately, the business did not realize that this ran afoul of the Governor's price gouging ordinance. The **Maryland Attorney General's Office** mediated an agreement with the business to refund the excess amount consumers paid for the product.

### *New Jersey*

The **Hudson County Office of Consumer Protection** handled approximately 175 complaints about price gouging last year. The products involved ranged from meat to personal protective equipment such as gloves, masks and hand sanitizer. In a joint effort with the Hudson County Office of Weights and Measures, consumer agency staff visited every location where price gouging was reported, taking digital photos, recording the barcodes on the items, and obtaining copies of the purchase invoices to compare with the prices displayed. Several locations were found to be selling loose paper masks packed in

sandwich bags at excessively high prices. The documentation was forwarded to the New Jersey Division of Consumer Affairs for further review and action.

### *New Mexico*

Overall, the worst problems consumers reported to the **New Mexico Attorney General's Office** last year were about price gouging. For example, several complaints were made about steep price increases for gasoline in one particular town. After the agency sent cease and desist letters to the businesses, the gas prices went down. In another rural town, a small market was accused of opening packages containing multiple rolls of toilet paper and selling the individual rolls at unreasonably high prices. A cease and desist letter stopped that practice.

### *New York*

Last March the **New York State Division of Consumer Protection** was directed by the Governor to investigate reports of price gouging. The agency extended the hours of its toll-free helpline and received nearly 20,000 calls about price gouging and other problems. Examples of price gouging included:

- A retailer was charging \$100 for a pack of Purell wipes and \$ 79 for hand sanitizer.
- A 12-pack of Scott's paper towels was priced at \$51.
- A store was selling a gallon of milk for \$9.19.
- A company was charging \$25 for a single N95 mask.
- A gas station was charging \$40 for 8-ounce bottles of hand sanitizer and \$80 for the 12-ounce size.
- A 24-ounce can of Lysol Foaming Disinfectant was selling on Amazon for \$30.10.
- A gas station was charging \$16.99 for travel-sized bottles of Purell hand sanitizer.

The worst consumer problem reported to the **New York City Department of Consumer and Worker Protection** in 2020 was price gouging on essential goods related to the COVID-19 pandemic. The agency received more than 12,000 price gouging complaints and issued more than 17,000 violations to businesses. In response to complaints, inspectors visited the stores to document excessive prices. Examples of what they found include:

- A food market in Brooklyn was selling 16-ounce bottles of rubbing alcohol previously priced at between \$1.50 and \$3 for \$5.99. The business paid \$7,000 in fines.
- Another Brooklyn store charged \$15 for bottles of Lysol that were originally priced at \$6 to \$9 and was also overcharging for rubbing alcohol. The business was fined \$7,700.
- A consumer was charged \$27.99 for an 8-ounce bottle of Purell hand sanitizer that normally sold for \$3 to \$4 and was also selling bleach for nearly double the pre-pandemic price. The business was required to pay \$2,450 in fines and \$17.99 in restitution to the consumer.

- A hardware store was accused of charging \$18.99 for 500-ml bottles of hand sanitizer, \$5.99 each for KN95 disposable masks, and \$15.99 for 121-ounce bottles of Clorox bleach. The business was fined \$18,550.
- A dollar store in the Bronx was selling 10-packs of face masks for \$45 and single face masks for \$6. The business was fined \$8,750.

### *North Carolina*

More than 2,300 price gouging complaints were filed with the **North Carolina Attorney General's Office** last year. The agency sued Stephen Gould Corporation, a New Jersey-based business that allegedly offered millions of N95 masks to the North Carolina Emergency Management Unit of the North Carolina Department of Public Safety, UNC Health, Duke Health, and the Charlotte Chapter of the American Red Cross at a markup of more than 100 percent. If the sales had been successful, the company would have profited more than \$30 million per transaction. In addition to winning a \$150,000 judgment, the agency obtained an order permanently barring the company from engaging in unfair and deceptive practices or selling personal protective equipment at unreasonably excessive prices.

### *Ohio*

The **Ohio Attorney General's Office** sued several online sellers for price gouging, including:

- Marcus Fultz, who operated an online store on Amazon under the name Danielle's on 2<sup>nd</sup>, for offering hand sanitizer for sale at inflated prices. The case is pending.
- Mario Salwan, who operated an online store on e-Bay under the user name Donkey476, for selling N95 masks at inflated prices. That litigation concluded with a settlement that included full refunds to all purchasers, the donation of 570 N95 masks for distribution to health care professionals and a \$1,500 payment to the agency for investigative costs.
- Stanley Owens, dba Stan's Storehouse, who offered various products, including hand sanitizers and cleaners, at inflated prices. The investigation was resolved with an Assurance of Voluntary Compliance in which Owens agreed to comply with the law in the future and pay \$2,000 to reimburse the agency for the cost of the investigation.
- VanDough LLC and its owner, Joshua VanLandingham. The defendants bought up hand sanitizers from local retailers and offered them for sale online at inflated prices. In an Assurance of Voluntary Compliance, the business and VanLandingham agreed to comply with the law going forward, make \$4,927.19 in restitution to consumers, and pay the agency \$2,000 for the cost of the investigation.

### *Tennessee*

In March 2020, the **Tennessee Attorney General's Office** began an expedited investigation after learning about alleged price gouging involving emergency and/or medical supplies by Matthew and Noah Colvin during the COVID-19 crisis. When confronted with the allegations, the Colvins cooperated with investigators and surrendered all their supplies, including approximately 17,000 bottles of hand sanitizer, to a nonprofit organization in Tennessee. They also agreed to distribution of a portion of the supplies to officials in Kentucky. The settlement with the Colvins prohibits them from selling emergency



or medical supplies grossly in excess of the price generally charged during any declared state of abnormal economic disruption related to the COVID-19 pandemic.

## Retail

### *Arkansas*

An Arkansas woman put a prom dress on layaway for her daughter at a local shop specializing in second-hand formal dresses. When prom was canceled due to the pandemic, she asked the business to cancel the purchase and refund her money, as her daughter no longer had any use for the dress. The business refused, citing its “no refunds” policy. Believing that an exception should be made under the circumstances and in dire need of the funds, the woman complained to the **Arkansas Attorney General’s Office**. The business provided proof that the policy was clearly stated at the checkout counter and on the agreement the woman signed, however, and declined to negotiate further.

### *Massachusetts*

The **Cambridge Consumers’ Council** received several complaints against a local bike shop that was unable to fulfill orders in a timely manner because of supply problems due to the pandemic. The consumer agency is working to get refunds for consumers who don’t want to have to wait any longer for their bikes.

## Schools/Childcare

### *District of Columbia*

A family moved to Washington, DC in March 2020 and enrolled their three year-old daughter in a Pre-K class at an area academy. Shortly thereafter, schools were ordered closed because of COVID-19. Since the child had not even been able to attend one day of school and never met her teacher and classmates in person, online learning did not work well for her. In April the parents decided to withdraw her from school. At that point, they had already paid a total of \$3,255.37 for March, April and May. They requested a pro-rated refund for the May tuition. The school refused and demanded an additional payment of \$2,028.47 for the rest of the school year, which ended in mid-June. The parents asked the **District of Columbia Attorney General’s Office** for help, which resulted in a refund of \$1,200.

### *Massachusetts*

Childcare problems were also acute for many parents during the pandemic. The **Massachusetts Attorney General’s Office** received more than 100 complaints last year from parents who were asked to continue to pay for childcare even though facilities were closed. This was a particular challenge for parents who were essential workers or who needed childcare to work remotely. They often had to pay a second childcare business near their homes while still paying the original childcare providers in order to avoid losing the coveted spots for their children at facilities near their regular workplaces. These issues are ongoing.

## Real Estate

### *Maryland*

The **Maryland Attorney General's Office** received complaints from members of common ownership communities about their associations not having meetings or holding impermissibly closed meetings due to the pandemic. In one case, an association held elections in a closed meeting, allowing only the board of directors to vote on new board members. The agency mediated an agreement for the association to hold a new election using a social platform to ensure that all members could vote for board candidates.

## Services

### *Arkansas*

Last winter an elderly couple who suffered from numerous disabilities and had another older woman living with them in their home asked the **Arkansas Attorney General's Office** for assistance. Their HVAC unit, which was under warranty, had stopped functioning in August 2020. The business that sold it to them sent several subcontractors to try to repair it, but they were unsuccessful. The consumers had been using space heaters for several months to keep warm. It soon became clear that the necessary parts were not available due to the pandemic. The business agreed to resolve the problem by replacing the HVAC unit.

### *Virginia*

**Fairfax County Department of Cable and Consumer Services** received 41 complaints involving trash companies in 2020. Due to workers' exposure to COVID-19, trash companies struggled to maintain service. Consumers complained that their trash or recycling were not picked up as scheduled, nor were alternate arrangements made. They also complained that while their service had been reduced, their rates had increased. With the help of the agency consumers received credits for missed service, got reduced rates in some cases, and were provided with more timely service.

## Travel/Vacations

### *Connecticut*

Many state and local consumer agencies received complaints last year about school trips that were canceled due to the pandemic. In one case, the **Connecticut Department of Consumer Protection** persuaded a company to make an exception to its regular policy of simply rescheduling trips and provide the students with travel vouchers valued at \$2,000, which were good for two years.

### *Florida*

When the parents of a Florida girl whose school trip to Italy was canceled complained to the **Florida Department of Agriculture and Consumer Services** that the travel operator refused to refund their payment, the agency reached out to the company, which agreed to provide full refunds for all 28 students who were scheduled to go, a total recovery of nearly \$43,000.

A woman booked a hotel in Florida for the weekend of April 10<sup>th</sup> on hotels.com. According to the website, she had until April 6, 2020 to cancel without penalty. Due to the coronavirus, she canceled on March 14 and received an email confirming that her payment of \$352 would be returned. When the money failed to materialize she tried contacting the company, but no one answered the phone or responded to messages she sent through the customer dashboard. Fortunately, the **Hillsborough County Department of Consumer & Veterans Services** in Florida was able to contact the corporate headquarters and obtain a full refund for the woman.

**Pinellas County Consumer Protection** received a complaint from an out-of-state woman who booked a vacation rental (condo) in St. Petersburg for early April 2020 and paid the full price of \$2,888.85 via credit card. As a result of the pandemic and subsequent issuance of the Florida Governor's executive order suspending vacation rentals, the woman had to cancel her trip, but the rental company refused to refund her money. The company had offered her several alternatives, including reselling the booking to another customer, offering to extend the booking dates to later in 2020, or extending it until the following spring. The woman declined those offers because the beaches, restaurants and entertainment centers were all closed, and it was uncertain when they would reopen. The woman requested a chargeback from her credit card issuer, but the rental company disputed it. As a result of mediation, the company agreed to drop its dispute and the woman was credited the full amount.

## *Georgia*

Voyageurs International Ltd. is a Colorado-based company that plans and facilitates "Ambassadors of Music" travel tours to Europe for high school music students and their parents. The company and its owner, Gilford Mahaffy, had scheduled tours for the summer of 2020 and collected payments from thousands of participants throughout the country, including Georgians. The cost of the trip exceeded \$6,000 per participant. When Voyageurs canceled the trip in March of 2020 due to COVID-19, it offered consumers only a partial refund, retaining \$1,900 per person as a "cancellation fee." This was based on a contract provision that purported to give Mahaffy sole discretion to cancel the trips for any reason and assess the fee. The company, however, failed to adequately disclose this important contract term to consumers. It also claimed that the fee was necessary to offset travel expenses it wasn't able to recoup, but the **Georgia Attorney General's Consumer Protection Division** disagreed, alleging that the company was ultimately able to get a substantial portion of the trip expenses back from the hotels, airlines, vendors, venues and transportation companies. Voyageurs entered into a Consent Judgment, which required it to pay \$231,560 in restitution, which the agency disbursed to Georgia consumers whose trips were involuntarily canceled. The agency also obtained money from the company to make partial refunds to students and parents who had voluntarily canceled their trips in March because they did not want to travel during the pandemic.

## *Maryland*

A Maryland couple who booked an expensive cruise canceled before they were set to sail because of health concerns related to the pandemic. A few weeks after they canceled, the cruise company canceled the trip and made refunds to consumers who were still booked. It refused to refund the couple, however, because they canceled while the trip was still on. The company offered them a one-year credit, but it soon became clear that travel would still not be safe in a year, and the wife suffered a medical set-back which made it unlikely she'd be able to go within that time period. The **Maryland**

**Attorney General's Office** mediated an agreement with the company to extend the credit for an additional year.

### **Massachusetts**

A grandfather booked a family trip for himself and eleven of his children and grandchildren at a cost of over \$70,000. The trip, scheduled for April 2020, was canceled due to COVID-19. However, the travel company, which should have received full refunds from the airlines and other vendors, wasn't passing on the refunds to the consumer. After more than ten months of trying to work with the travel company themselves, the man filed a complaint with the **Massachusetts Attorney General's Office**. Within a week of the agency contacting the travel company, a full refund was made.

The **Consumer Assistance Council** received nearly 90 complaints from seasonal campers at Peter's Pond Campground in Sandwich, MA. The camping season is always April 15-October 15. Due to the pandemic, last year the campground did not open until May 25. Sun Communities, which operates it, notified the consumers that it would give them a rebate of 8 percent on their base site fees, which would come to about \$480. The consumers argued that they were being shortchanged. Since the usual season ran for 184 days, they calculated the daily rate at \$32.39 which, multiplied by the 40 days they'd be losing, would be nearly \$1,300 apiece. Sun also offered to extend the camping season until November 1, but this did not assuage the consumers, none of whom wanted to stay that long. Unfortunately, the company refused to budge, contending that it had no obligation to provide even the 8 percent because the contract stated no refunds would be given for early termination due to "acts of nature."

A woman asked the **Consumer Assistance Council** for help when her request for a refund for a home she rented in Oak Bluffs for a week in August last year was denied. She explained that she could not travel to Massachusetts because of the requirement to self-quarantine for two weeks and the limited health care facilities on the Cape. She was especially concerned about the potential for contracting the COVID-19 virus and bringing it home to her elderly mother, for whom she was the sole caregiver. The real estate broker finally agreed to rebook the house and refund the woman's deposit, minus a small fee. Not all of the more than 100 similar complaints the consumer agency received in 2020 could be resolved; some consumers were even threatened that if the property was not rebooked they'd be on the hook for the balance due.

### **New Mexico**

The **New Mexico Attorney General's Office** received a complaint from a woman who had been planning to fly to Florida on Southwest Airlines but canceled because of the pandemic. The airline refused to refund the \$500 she paid for her ticket or allow her to transfer it to someone else. Unfortunately, her ticket was nonrefundable and the airline would not make an exception.

Several consumers complained to the **New Mexico Attorney General's Office** about a company that organizes international trips. At the time they were scheduled to travel, the government was not permitting overseas trips due to COVID-19. The travel company refused to give their money back, offering partial refunds in the form of vouchers for future travel. The agency was able to get full refunds for the consumers.

## *South Carolina*

The **South Carolina Department of Consumer Affairs** received 244 complaints last year about travel issues related to the pandemic. Since there is no state law requiring businesses to provide refunds for canceled travel plans when a state of emergency has been declared, the agency advised consumers to review the terms and conditions of their contracts, check their travel insurance agreements if they bought such coverage, and talk to their credit card issuers about disputing the charges. It also mediated complaints, including one which, as in the Maryland example, involved a luxury cruise. The consumer initiated a request for a refund and tried for three months to get a response from the business, without success. After the consumer agency got involved, the company refunded the full amount, \$16,904.40.

## *Virginia*

A Virginia teacher arranged with a travel agency for students to go on a trip to France, but later asked to cancel it due to COVID-19. The travel agency initially provided flight vouchers for each student in the amount of \$700, but the children's parents were not satisfied and wanted their money, which totaled more than \$20,000, refunded. As a result of mediation by the **Fairfax County Department of Cable and Consumer Services**, the travel agency offered the parents full credits for the amounts they paid, but they rejected the offer and decided to work with the teacher to explore other avenues of redress.

## *Wisconsin*

The **Wisconsin Department of Agriculture, Trade and Consumer Protection** also worked to recoup the "cancellation fees" that Voyageurs International, Ltd. attempted to retain when the company canceled trips to Europe for music students and their parents (see **Georgia**, page 24). The company will provide the refunds to the consumer agency, which will disburse the funds to affected Wisconsin students and families.

## Ten Tips for Navigating the COVID-19 Pandemic (and Other Disasters)

The COVID-19 pandemic put a severe strain on consumers and companies as non-essential businesses were forced to close and lay off workers, supply chains were disrupted, people struggled to pay their rent, mortgages, and other bills, stay-at-home orders discouraged travel, and weddings and other events were canceled. Price gouging flourished and, as usual, scammers took advantage of the situation to offer bogus cures and steal people's identities.

Take these steps to protect yourself in disaster situations.

- 1. Use gift cards and credits quickly.** You never know when a business is going to close, temporarily or permanently, and you may not be able to recover that money.
- 2. Save money for emergencies.** Even putting aside a small amount of money on a regular basis can give you a financial cushion when you need it.
- 3. Pay the safest way.** Use credit cards to pay for goods or services that will be delivered or performed later because you can challenge the charges if you don't get what you were promised.
- 4. Know your cancellation and refund rights.** You have an automatic right to back out of door-to-door sales over \$25 and to cancel an order you made by phone, mail or online if it's not delivered by the time promised or thirty days if no delivery date is stated. Otherwise, you're bound by the seller's cancellation and refund policy. However, if the seller can't fulfill the contract – for instance, you bought tickets for a sports event that can't be held because the stadium is closed due to a public health or other emergency – you may be able to argue that your money should be refunded regardless of the normal policy.
- 5. Avoid travel trip-ups.** Airlines must refund your money if they cancel or significantly change your flight. They're not required to do so if you decide not to fly, even for health reasons, unless you bought a refundable ticket. Many airlines voluntarily offered credits to consumers who canceled their trips because of COVID-19 concerns. If you have one of these vouchers, note the expiration date and use it as soon as possible. Tour companies, cruise lines, hotels, and vacation rentals may also have no-refund policies if you cancel, but you may have a good basis for insisting that your money should be returned if they couldn't provide the service due to the pandemic. Travel insurance usually doesn't provide relief if you cancel a trip unless you were actually ill; read the terms of coverage carefully. You can buy "cancel for any reason" protection, which costs more but gives you more flexibility.
- 6. Get financial help if you need it.** The federal government responded to the financial problems caused by COVID-19 by providing stimulus payments, extra unemployment benefits, foreclosure prevention assistance, and business loans. Some state and local governments have also created financial assistance programs.
- 7. Assert your rights as a tenant.** Most states require notice and other procedures to be followed to evict tenants for non-payment of rent or other problems. The landlord can't just throw your belongings in the street and change the locks. The federal government placed a moratorium on evictions from some types of property during the COVID-19 pandemic and some state and local governments have also created programs to temporarily block evictions and assist tenants.
- 8. Report price gouging and sudden surcharges.** Many states have laws that prohibit unjustified price hikes for essential goods or services during public emergencies. Even if your state doesn't have such

a law, alert your state or local consumer agency if you see sudden price increases or surcharges in disaster situations.

9. **Watch out for fraud.** Disasters bring out the best in many people, but they also bring out scammers who peddle bogus preventions and cures, try to trick people into providing their personal information, falsely promise jobs, loans or other financial assistance, and collect donations for phony charities. Stop, think, and check it out before you respond.
10. **Try to resolve complaints yourself, and seek help if you can't.** Legitimate businesses will usually work with consumers to solve problems and maintain good customer relations. Be polite but persistent, and keep in mind that the business may also be negatively affected by the emergency situation. If you can't resolve your complaint, ask your state or local consumer agency for help.

### *Resources to Help You*

**America Saves**, <https://americasaves.org>, is a campaign managed by Consumer Federation of America that helps people learn how to save to reach their goals and prepare for emergencies.

Before you buy from an unfamiliar company or donate to a charity, check its records with the **Better Business Bureau** at <https://www.bbb.org/>. Your state or local consumer agency may also be able to provide you with useful information and advice.

The **Consumer Financial Protection Bureau** ensures that financial companies treat consumers fairly. At <https://www.consumerfinance.gov/coronavirus/> the agency provides information about the help available during COVID-19 for mortgage and rental relief, student loans, dealing with financial difficulties, and avoiding scams.

The **Federal Trade Commission** polices the marketplace for unfair and deceptive practices. On its website at <https://www.ftc.gov/coronavirus/> it provides information about COVID-related scams, tips on what to do if your finances are affected by the pandemic, and more.

Identity theft victims can get instructions for how to recover at <https://www.identitytheft.gov/>. Free counseling is available from the **Identity Theft Resource Center**, <https://www.idtheftcenter.org/>.

The **U.S. Department of Transportation** explains your rights concerning flight delays and cancellations at <https://www.transportation.gov/individuals/aviation-consumer-protection/flight-delays-cancellations>.

**USA.gov** provides a directory to all state and local consumer agencies, <https://www.usa.gov/state-consumer>.



## Real-World Complaints

These stories from the files of state and local consumer agencies illustrate the wide range of problems they handle and the efforts they make, from informal mediation to formal legal action, to try to resolve them and protect the public from unfair and deceptive practices in the marketplace.

### Auto

#### *Arkansas*

An elderly man complained to the **Arkansas Attorney General's Office** that certain features of the new GMC Acadia he bought, such as the lane-departure warning, were not working properly and the dealer had refused to take the vehicle back. With the agency's help, he was able to return it for a full refund of \$44,098. Another new car complaint last year involved an older woman, in ill health, who was manipulated into financing the purchase of an expensive vehicle she did not really want. The dealer told her it would rescind the sale but failed to follow through. The same empty promise was made when the consumer agency contacted the dealer. After repeated calls, however, the contract for \$22,276 was finally canceled.

*If you're considering buying a car, shop around and don't commit to anything until you have read the contract and the finance agreement carefully to make sure you know the terms and cost of the deal. Don't be rushed or pressured, ask questions, and if there is anything you still don't understand, show the paperwork to someone you trust before you sign. When you buy a new car, state law protects you if there are problems that substantially affect your ability to use it, but not all problems make a new car a "lemon." Ask your state or local consumer agency about your lemon law rights.*

#### *Connecticut*

Last year when the **Connecticut Department of Consumer Protection** conducted a review of compliance with Lemon Law arbitration decisions, it discovered that there were errors and substantial delays in some cases. For example, one manufacturer took more than four months to make a refund for a defective new car as ordered, causing the consumer, a parent with young children, financial and transportation hardships. The consumer agency has an ongoing investigation with the top manufacturer offenders to determine the reasons for noncompliance, and legislation is also pending in the state to address this problem.

At [http://www.ialla.net/law\\_contacts.htm](http://www.ialla.net/law_contacts.htm) the International Association of Lemon Law Administrators provides information about how to reach the government agency that oversees the new car lemon law in your state. It also offers tips for consumers on issues such as how to prepare for lemon law arbitration hearings.

#### *District of Columbia*

When a woman purchased a vehicle from a dealer in the Washington, DC area, she paid for the tags with the assurance that she'd get them in short order. After a month, the dealer still hadn't provided the tags and agreed to refund the fee. The check bounced. The woman contacted the dealer and agreed to pick up another check, but there was no check waiting for her. She called the next day, as instructed, and



was informed that a new check was being processed. Returning the following day, a Friday, she was told no one was there to write a check and to come back on Monday. She called on Monday to make sure the check was ready, only to be promised that someone would call her back. At that point, she'd had enough. Her complaint to the **District of Columbia Attorney General's Office** resulted in a refund of \$152 for the tag fee and the bounced check charge she incurred – and this time the check was good.

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

### **Florida**

A Florida woman brought two vehicles, a 2010 Toyota and 2015 Sonata, to Boosted Autos for repairs. The problems did not appear to have been fixed, however, and it was unclear exactly what work was done since the shop refused to provide the woman with receipts. For example, she was told that a new air compressor had been installed in one vehicle, but another mechanic who checked said there was no new air compressor. The **Broward County Environmental and Consumer Protection Division** investigated and found that the shop was not licensed as required. It issued a Notice of Violation and obtained a \$225 refund for the woman.

*Only do business with auto repair shops that you know and trust or that have good reputations based on other people's experiences. Be sure to get an itemized receipt for the work. If you have any doubts about the diagnosis of your car's problem, bring it to another shop for a second opinion.*

The **Hillsborough County Department of Consumer & Veterans Services** received a complaint from a man who put a \$5,000 deposit on a recreational vehicle with the understanding that the dealer would hold it until he could obtain affordable financing. The financing fell through, however, and the dealer refused to return the deposit even though no purchase agreement had ever been signed and the man never took possession of the vehicle. With the help of the consumer agency, the man received a full refund.

*If you're considering buying an RV or any other type of vehicle, get any promises the dealer makes in writing in case there are questions later about the terms of the deal, such as whether your deposit will be refunded if the financing falls through.*

### **Maryland**

Complaints about auto repair shops are not uncommon, but last year the **Montgomery County Office of Consumer Protection** received several complaints regarding unlicensed mobile automotive repair work being solicited and performed in parking lots. These repairs are often shoddy and the individuals performing them typically use false or stolen identities, making it difficult to track them down. To address this growing problem, the consumer agency turned to auto parts stores in the county to enlist their help. It provided them with signs, in English and Spanish, to post on their premises, warning

consumers about the dangers of these unlicensed repairs and asking them to report such activities to the appropriate authorities.

*Don't do business with car dealers or auto mechanics who are operating in parking lots or other locations that are not their regular places of business. They may not be licensed or in compliance with other legal requirements that apply to them, and they could be hard to find if you have problems later.*

### **Massachusetts**

With a coupon from a co-worker for a free oil change at Valvoline, a Massachusetts man happily drove to the shop for that and new air filter. His car was operating fine when he brought it in, but when he pulled out of the garage bay, he noticed the red oil indicator light was on. The technician told him to turn the car off, then turn the key to on, step on the brake and gas pedal at the same time, and hold it for thirty seconds to reset the oil light. That seemed to do the trick. About a week later, however, he heard a clicking noise while driving. Returning to Valvoline, he asked if the air filter had been installed correctly. He was told it was, and that the clicking noise was a bad belt. On the way home, the car started to smoke, so he pulled over and had it towed to a dealer, who informed him that there was catastrophic damage to the engine, which would cost \$9,518 to fix. The **Consumer Assistance Council** contacted the company's headquarters on his behalf. Since the cost of the repairs was more than the car was worth, Valvoline offered him \$8,091 (the private-sale value of the car plus a refund for the amount he paid for the service), and he could keep the car, in exchange for a release. He gladly accepted.

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

### **New Jersey**

The **Monmouth County Division of Consumer Affairs** has received many complaints about a local used car dealer who sells primarily online and delivers the vehicles on flatbeds to consumers, mostly in other states. The dealer advertises that the sales are "as is," but the cars are sometimes in far worse condition than consumers would expect. For instance, one complaint last year involved a Jeep that wouldn't start upon delivery. When the hood was popped it was obvious that the engine was a non-factory replacement and in poor condition. The consumer asked the driver to put the Jeep back on the truck, but he refused, explaining that he had a pickup to do and wasn't an employee of the dealer, just hired to make the delivery. That left the consumer out thousands of dollars for a vehicle that wouldn't run and couldn't be returned without great expense. The dealer refused to resolve the matter, relying on the "as is" terms of sale. In another case, a car was sold with the "check engine light" wire cut so the consumer wouldn't see that there was a problem at the time of purchase. One vehicle was delivered missing the entire exhaust system. Since the consumers are out-of-state, it is unrealistic for them to take the dealer to court, and unless the state withdraws the dealer's resale license, there is little that the county consumer agency can do.

*Purchasing a car "as is" doesn't always mean that you're out of luck if something goes wrong. You may be able to hold the dealer responsible. But the best way to protect yourself is to have the car checked out by a mechanic you trust before buying it to look for problems that might not be obvious to you. Buying a used car long-distance is especially risky since you may not be able to test drive it or have a mechanic examine it before you pay, and shipping it back if it's not satisfactory could be expensive.*

## New Mexico

A New Mexico man paid an auto body shop \$5,704.95 to replace the motor in his car, but the work was never done and the shop ignored his demand for a refund. He complained to the Better Business Bureau and the business agreed to pay him back in installments. It never made any payments. After the **New Mexico Attorney General's Office** contacted the shop, the man received a full refund.

*Auto repairs may take longer than expected because the shop has trouble getting the right parts or the mechanic discovers that additional work is needed. Keep in touch with the shop and make notes about the dates of each conversation, who you talked to, and what was said. Don't pay before the work is done. If you think that you're being strung along, ask your state or local consumer agency for help.*

## Ohio

The **Ohio Attorney General's Office** joined agencies in 48 other states, territories and the District of Columbia in a settlement last year with American Honda Motor Company, Inc. to resolve charges that it failed to warn consumers of the dangers of the now-recalled frontal airbags manufactured by Takata. Equipped with dual-stage inflators that used phase-stabilized ammonium nitrate as the propellant, these airbags tended to rupture during deployment, sending shrapnel into the cars' passenger compartments. The settlement included broad injunctive relief and reporting requirements, plus an \$85 million payment to the states. Ohio's share was \$2,367,714.89.

*New car defects can be more than inconvenient—they can be dangerous. Contact the National Highway Traffic Safety Administration at [www.nhtsa.gov](http://www.nhtsa.gov) or by calling 800-424-9153 to get information about auto recalls, check for complaints from other individuals about the same problem, and report safety defects. If there are problems with your new car that substantially affect your ability to use it, ask your state or local consumer agency about your lemon law rights.*

Another case the **Ohio Attorney General's Office** resolved last year was against Unlimited Investment Group LLC, doing business as Unlimited Auto Group of West Chester, and its owner, Abraham Falah. This used car dealer allegedly charged consumers for title, license, registration and filing fees they never authorized. The defendants entered into an Assurance of Voluntary Compliance and agreed to pay \$94,345.76 to reimburse 467 consumers.

*Review the auto sales contract carefully before signing. If there is something in it that doesn't match what is on the vehicle or what the salesperson told you, beware! You may want to steer clear of the deal.*

## South Carolina

The **South Carolina Department of Consumer Affairs** includes boats in its vehicle sales category. In one case last year, a consumer immediately started having issues with a boat she purchased. After being in the shop for seven weeks, it was still inoperable and she never even got to take it out on the water. After making numerous unsuccessful attempts to resolve the matter, she filed a complaint with the consumer agency. As a result, the boat manufacturer agreed to pay off the \$54,000 loan, and returned the \$10,000 deposit, and reimbursed her for insurance, storage, taxes and registration fees.

*Just as with buying a car, it's a good idea to research the make and model of the boat you're considering as well as the reputation of the dealer. Check online boat reviews and sources of complaint information such as the Better Business Bureau, <https://www.bbb.org/>. If there are any problems after the sale, keep records of what they are, when you contacted the dealer, how long the boat was in the repair shop, and what repairs were made. Contact the manufacturer if the problems persist.*

## **Business Services**

### **Massachusetts**

A Massachusetts woman who planned to open a small fine art gallery in Provincetown purchased two picture framing machines, a Jaguar saw and an S-30 under-pinner from Tech-Mark. The purchase price included installation and training. When the technician came to install the machines and show the woman on how to use them, he was unable to make acceptable cuts and joints. The woman later learned that was because the Jaguar saw was set up to cut moldings for windows and doors, not picture frames. She also discovered that the saw was used, which was not disclosed. Furthermore, the technician had installed the S-30 under-pinner cartridge incorrectly. Tech-Mark promised to rectify the problems but never followed through and refused to allow the woman to send the equipment back. With the help of the **Consumer Assistance Council**, she was finally able to return the machines for a full refund of \$17,841.

*Buying equipment for your business? Ask potential suppliers if they have experience with providing machinery for the specific work you'll be doing. Be sure that the bill of sale includes a description of what the equipment is intended to be used for in case there are any issues later about its suitability for the job.*

### **New Mexico**

In drop shipping, the seller doesn't actually have the goods but instead pays someone else to deliver them to the buyer. This could be the manufacturer, a wholesaler, a distributor, or another retailer. The **New Mexico Attorney General's Office** received a complaint against Amazon from someone who had an account with the company to act as drop shipper. Amazon had deactivated the account, preventing the person from accessing the funds in it. The agency contacted Amazon, which agreed to reactivate the account, enabling the complainant to transfer the money to a bank account.

*When you agree to provide services for a company, there should be a written contract that clearly spells out the terms, including how you will be paid and the grounds for termination. Not all state or local consumer agencies handle business-to-business disputes, but they may at least be able to provide advice.*

### **Ohio**

Idea Buyer LLC claimed to help entrepreneurs launch inventions in a manner similar to the television show Shark Tank and sold services nationwide via its website. Typically, consumers sent Idea Buyer information about their inventions, and Idea Buyer responded with a form letter that led them to believe they were one of a select few chosen to partner with the company on product development. After consumers entered into a two-year contract and paid an upfront fee ranging from \$8,000 to \$40,000, they received little assistance from Idea Buyer, which shut down in December 2019. The **Ohio Attorney General's Office** sued the business and its owner, Eric J. Corl, in February 2020 for alleged

violations of the Consumer Sales Practices Act, including failure to deliver, misrepresentations of the uses and benefits of the service, and making misleading statements of opinion. The lawsuit seeks a declaratory judgment, a permanent injunction, consumer restitution and civil penalties. The case is pending.

*You have a great idea for a new product or service, but how do you get started? There are many companies that promise to evaluate, develop and market people's inventions, but they may be more interested in getting your money than in promoting your idea. A legitimate invention promoter will tell you how many inventions it has evaluated, how many of those inventions got positive or negative evaluations, its total number of customers, how many of those customers received a net profit from the promoter's services, and how many of those customers have licensed their inventions due to the promoter's service. And it will get paid through royalties if your invention is a success, not by charging you a large fee in advance. For more information about how to protect yourself go to <https://www.consumer.ftc.gov/articles/0184-invention-promotion-firms>.*

## **Communications**

### ***Arkansas***

A woman complained to the **Arkansas Attorney General's Office** that while her internet bill had increased over the past few months, her service didn't work on a regular basis. The company agreed to add a 12-month credit to the consumer's account to offset the cost, and sent a technician to the home to fix the service problem.

*Problems with the quality of your internet service? Speak up! Keep notes of when outages or other service problems occurred, who you spoke to at the company and on what dates, and what they said. If you don't get satisfaction, contact your state or local consumer agency for advice. In addition to getting the problem fixed, you may be entitled to a bill adjustment.*

### ***Connecticut***

The largest percentage of complaints to the **Connecticut Department of Consumer Protection** last year were against a major telecommunication company. In one complaint, an elderly man who spends the winters in a warmer state had called the company to set up a monthly \$10 vacation hold in place of his regular bill. When he returned to Connecticut in the spring, he found that the hold had never been put on his account and he'd been charged the full amount for the winter months. A company representative acknowledged the error but said he'd have to pay the bill in full to avoid cancellation and the company would reimburse him later. Months went by, and after numerous calls to the company failed to produce a refund, he asked the consumer agency for help. Apparently the problem was a billing code error, which was finally resolved, and the man got his money back.

*If you're going away for an extended period of time, you may want to make special payment arrangements with your telephone and utility suppliers. Keep a record of when you contacted them, the names of the people you dealt with, and the specific terms of the agreement. Ask them to send confirmation of the arrangement in case there are any questions or problems when you return.*

## **New Mexico**

A woman complained to the **New Mexico Attorney General's Office** about a problem with Sprint, which is now part of T-Mobile. She had asked to discontinue one of the three lines on her account, but the company continued to charge her for it. The consumer agency was able to get her a refund of \$96.96.

*Check your phone bill carefully before paying it in case there are any mistakes or unauthorized charges. If you have a billing problem and can't resolve it, ask your state or local consumer protection for help.*

## **Virginia**

The **Fairfax County Department of Cable and Consumer Services** received several complaints last year against a local business that sells computer tablets and telephone service to inmates throughout the country. Some of the complaints were about payments that were not properly credited to inmates' accounts to cover the purchases. Those problems were resolved. Another issue, however, involves the way in which families are charged for inmates' telephone service. The business charges a fee to connect the collect phone calls as well as a fee for the calls themselves. Families complain that this is unfair and also object to having to provide a credit card to which the charges are automatically billed. The consumer agency is continuing to look into the matter, and noted that the Federal Communications Commission is now accepting complaints to address telephone service provided to prisons.

*The Federal Communications Commission is working to rein in excessive rates and egregious fees on phone calls from jails and prisons. For information about caps on allowable calling rates and fees go to <https://www.fcc.gov/consumers/guides/telephone-service-incarcerated-individuals>.*

## **Credit/Debt**

### **Arkansas**

The **Arkansas Attorney General's Office** noted that while the increased availability of financing offered at the point of sale has been helpful for consumers, especially those with bad credit or thin credit files, it has led to an increase of complaints from consumers who did not understand the terms of the contracts they entered into and that, in some cases, they cannot afford. For example, a consumer shopping for a new sofa may see an offer on a retailer's website for "No Interest Financing." These offers are typically made to people who appear to be at least somewhat credit-worthy. They are enrolled in a credit card issued in the retailer's name and aren't charged any interest as long as they pay the purchase price in full within a certain time; if they don't, a high rate of interest will be applied for the entire period of the offer. Another type of online financing is the "No Credit Needed" option offered by some retailers. These are aimed at consumers who aren't eligible for the "No Interest" deals. The salesperson works at a kiosk and enters the consumer's information into the portal, which connects directly to a finance company. The salesperson often "explains" to the consumer the terms of the financing as they are entering the information. The consumer will be told that there is a 90-day "early payoff option" which will result in "90 days same as cash." While the terms may be accurate, the consumer does not realize that 90 days same as cash is not the same as no interest if paid in 90 days. To further complicate the issue, the consumer does not read the contract and signs the agreement on a keypad. The consumer later realizes that it is a "rent-to-own" contract for the sofa and the total cost will be at least double the original price.



The agency will be issuing a Consumer Alert and Tip Sheet regarding these Fintech financing options encouraging consumers not to sign contracts until they have read and are sure they understand them.

*When you're financing a purchase through a retail store for furniture, appliances, or other expensive items, take the time to carefully read the agreement before signing, no matter whether it's a document on paper or on a computer. Don't be pressured, and ask questions if anything is not clear. Some financing arrangements can add significantly to the cost of the merchandise. You might want to consider other options, such as lay-away. For more information go to <https://www.consumer.ftc.gov/articles/rent-own-lease-own-layaway-and-buying-over-time>.*

## **Georgia**

An investigation of Santander Consumer USA Inc. by the **Georgia Attorney General's Consumer Protection Division**, in conjunction with a coalition of 34 other state attorneys general, resulted in a multi-state settlement with the company in May 2020, providing over \$550 million in relief for consumers. The settlement resolved allegations that Santander, the largest subprime auto financing company in the country, violated state consumer protection laws by exposing subprime consumers to unnecessarily high levels of risk and knowingly placing them into auto loans with a high probability of default. Santander was also accused of turning a blind eye to abusive practices by the dealers originating many of these loans and failing to meaningfully monitor dealer behavior to minimize the risk of receiving falsified information, including the amounts of consumers' incomes and expenses. Furthermore, the coalition of 35 state attorneys general alleged that Santander engaged in deceptive servicing practices and actively misled consumers about their rights and the risks of partial payments and loan extensions. In addition to making restitution payments to covered consumers, Santander also provided loan forgiveness for certain consumers who had defaulted but whose cars had not been repossessed. Additionally, Santander provided relief to certain consumers by waiving the deficiency balances of their defaulted loans. In the future, Santander is required, among other things, to factor a consumer's ability to pay on a loan into its underwriting, and to take steps to monitor problematic dealers.

*The Consumer Financial Protection Bureau offers information about how to calculate the amount you can afford to borrow to buy a car, the different ways that you can finance the loan, and what your lending rights are. See <https://www.consumerfinance.gov/consumer-tools/auto-loans/>.*

## **Massachusetts**

A working mom in Massachusetts who had recently moved to a new part of the state was sued for a debt she didn't owe in a case of mistaken identity. She couldn't take the time off from work to travel back to her former hometown to defend herself in court, however. The **Massachusetts Attorney General's Office** contacted the attorney representing the debt collector and helped to get the case dismissed without the woman needing to appear.

*Debt mix-ups can happen when people have the same names, account numbers are entered incorrectly, or other mistakes occur. If you're contacted about a debt you don't believe you owe, don't ignore it! Your credit could be damaged and you may be sued. Contact your state or local consumer agency for advice. For more information about debt collection go to <https://www.consumerfinance.gov/consumer-tools/debt-collection/>.*

## New Mexico

An elderly disabled man asked the **New Mexico Attorney General's Office** for help when the company from which he had a reverse mortgage filed a foreclosure action against him. The investigation revealed that the reason given to the court for taking the action was false; the real reason was that the company had breached its agreement by not automatically withdrawing money from the man's bank account to cover the homeowner's insurance. When the agency notified the court of the lender's misrepresentations it ordered the house to be deeded back to the consumer. The agency is continuing to assist the man with completing the necessary documents that are needed on an annual basis to avoid foreclosure.

*Reverse mortgages typically require homeowners to keep their payments for property taxes and insurance current. Failure to do so can lead to foreclosure. As part of the loan agreement, the mortgage servicer may automatically withdraw money from your bank account to make those payments for you. If you have such an arrangement, check with the tax collector and your insurance company to confirm that the payments were made when they were due. For information about reverse mortgages go to <https://www.consumerfinance.gov/consumer-tools/reverse-mortgages/>.*

The **Ohio Attorney General's Office** and the Federal Trade Commission conducted a joint investigation into the business practices of Educare Centre Services and related entities and individuals. The case kicked off after consumers, who typically paid \$1,000-\$2,000 for credit card rate-reduction and debt consolidation, complained that the services had been misrepresented and, in some cases, never provided. The investigation found a clear pattern of violations of Ohio law as well as the federal Telemarketing Sales Rule. The litigation concluded in September 2020 with a Stipulated Order that prohibits the defendants from offering debt settlement services via telemarketing in violation of state and federal laws. The action also resulted in judgments in the amounts of \$1.95 million against Globex and \$7.5 million against Souheil, Prolink Vision and 9896988 Canada, representing the amounts they received from consumers' funds. The judgments were suspended in part due to the companies' inability to pay. Payment of \$2.1 million is to be used for consumer redress, unless there are insufficient funds to do so. There are also recordkeeping and compliance monitoring requirements.

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

In another major case, the **Ohio Attorney General's Office**, 45 other states and the District of Columbia joined together to investigate the student loan practices of ITT Educational Services and the PEAKS Trust, a private loan program affiliated with Deutsche Bank. The investigation focused primarily on ITT's misrepresentation of federal compliance and unfair loan practices. Students were left with loans that they were unlikely to be able to pay off, resulting in many defaults. Last September the case concluded with an Assurance of Compliance between the states and ITT/PEAKS, under which PEAKS will not seek collection of the loans and will cancel all outstanding balances — loan forgiveness worth more than \$330 million. Ohio students account for \$20.6 million of the debt relief for 3,357 loans. The assurance includes a Redress Plan that requires PEAKS to notify borrowers that their debts have been canceled and to ensure that automatic payments are canceled and adverse credit information is repaired.



*There are many ways to finance higher education. Unfortunately, some for-profit schools exploit students by pushing them into high-cost loans they may not be able to afford. Learn about student loans and how to avoid the pitfalls at <https://www.consumerfinance.gov/consumer-tools/student-loans/>.*

The **Cuyahoga Department of Consumer Affairs** in Ohio received a complaint last year from a woman who received *76 debt collection calls in 30 days* about a payday loan that wasn't hers. The matter was referred to the Consumer Financial Protection Bureau, which had other complaints alleging abusive tactics by the collection agency.

*Payday loans are very expensive and can trap you in a never ending cycle of debt. Even worse is being dunned for a payday loan that you never took out. You have the right to dispute a debt you do not owe. See <https://www.consumerfinance.gov/consumer-tools/debt-collection/>. New rules from the Consumer Financial Protection Bureau about the frequency of debt collection calls may be coming soon.*

## **Employment**

### ***California***

The **Los Angeles Department of Consumer and Business Affairs** enforces the county's minimum wage ordinance. Among the settlements the agency achieved last year, two were particularly notable. One was with the owners of two companies that operated as Original Tommy's World Famous Hamburgers. They had underpaid 96 employees over the course of three years. Under the settlement they agreed to pay \$147,775 in back wages and \$147,000 in fines directly to the affected employees, plus \$103,000 in fines to the county. The other case involved Southern California Pizza Company, a franchisee of Pizza Hut, which failed to pay minimum wage to 36 employees. It agreed to provide a total of \$60,000 in back wages and fines to the aggrieved workers and the county.

*Workers are legally entitled to get the wages they are owed. If you believe that you are being shortchanged by your employer, don't be afraid to stand up for your rights.*

### ***Florida***

Another consumer agency tasked with enforcing wage laws is the **Hillsborough County Department of Consumer & Veterans Services**. It described several successful wage recoveries last year, including:

- \$5,080.50 for three employees of Precision Performance who were not paid for the overtime they were due when the business abruptly closed without notice.
- \$1,058 for a chef at Fountain Bistros & Restaurant who was promised \$15 per hour but only paid \$9. He spoke little English and felt that the business was taking advantage of him. In addition to his pay, the consumer agency was able to arrange for the form 1099 he needed for taxes to be sent to him.
- \$800 for a man who worked as an independent contractor for Waste Away, removing trash from apartment complexes. He refused to continue working for the company when it failed to pay him; the company unsuccessfully argued that it didn't owe him the money because he terminated his contract without providing a 60-day written notice.

- \$3,600 for a man who worked as a salesman on an independent contractor basis for Tomato Thyme Corp. The business claimed that he was not servicing his accounts; he said he had lost the accounts due to complaints that the tomatoes were too ripe.
- \$10,000 for a Spanish-speaking man who worked as an independent contractor for Roof Nation and performed two roofing repairs for which he had not been paid. The company contended that the jobs had not been finished and there were issues with the work, but the man provided verification that work was completed and that the business had agreed to pay him. Though one of the jobs was in another county outside of the agency's jurisdiction, it mediated an agreement to pay the man for the work on both.

*Whether you are an employee or a contractor, you are entitled to be paid for the work you do. Ask your state or local consumer agency where to go for help.*

## Fraud

### *Arkansas*

The **Arkansas Attorney General's Office** provided several examples of fraud complaints from its files:

- **Puppy Scams:** An older couple in South Dakota found a website advertising French bulldog puppies. The breeder claimed to be in Arkansas. The couple selected their puppy, signed a contract, and sent the breeder \$600 through Western Union as requested. The puppy was supposed to be shipped to them by plane. A complication arose, however. Someone claiming to be with the Little Rock Airport contacted them to say that the puppy's crate was insufficient and they had to pay an additional, refundable, fee of \$900. They did so through MoneyGram, but were then told there was a problem with the payment and it needed to be resent. At this point, the couple became suspicious and reported the incident to MoneyGram, which refunded their \$900. They also filed a complaint with the **Arkansas Attorney General's Office**. The agency checked with Western Union and discovered that, miraculously, the scammer had not yet picked up the \$600, making it possible to retrieve the money. Further investigation and additional complaints revealed that there were several phony puppy websites operated by the same people. With the help of Walmart's security and the FBI, the scammers were found in Arkadelphia and now face charges.
- **Pyramid Schemes:** Consumers were promised they could earn a 700 percent return on their investments and "bless" their communities by joining a "Blessing Loom" board and recruiting others to do the same. This was a classic pyramid scheme: no products or services were offered in exchange for the payments, only the opportunity to earn money, and when new participants stopped joining and the organizers started using the money as their own, consumers lost every dollar they paid in. Since the scammers specifically targeted members of the African-American community, the **Arkansas Attorney General's Office** wrote to the pastors of more than 100 African-American churches to advise them and their parishioners that "Blessing Looms" were illegal pyramid schemes. It also brought suit against several of the perpetrators.
- **Utility Scams:** A 56-year-old woman, who, along with her husband, live on disability payments, received a phone call that Caller ID showed as being from their energy company. She was told that she had an overdue bill of \$722 and that a technician was on his way to shut the service off if she didn't pay immediately. The woman did have a large utility bill and was unaware there

was a moratorium on shut-offs due to the pandemic. Because she relies on the electricity for health reasons, she panicked and followed the caller's instructions to purchase MoneyPaK prepaid cards at a local store (as a way to counter the anti-fraud training that many store employees now receive, she was advised to tell the cashier the cards were for personal use if asked). The store was out of the cards, however, and the cashier directed her to a nearby gas station to use the Bitcoin machine. She accidentally bought only \$520 in bitcoins, which the "service rep" told her would be fine. Then another person, supposedly also from the energy company, called to say that the payment had to be for the full \$722 and once she'd made it, they would send her a cashier's check for the \$520 she had paid earlier. Fortunately, she did not have enough money to make the second payment. According to the **Arkansas Attorney General's Office**, these types of scams increased last year, often affecting low-income populations who were the most likely to be behind in their bills.

- **Phony Online Retailers:** The **Arkansas Attorney General's Office** also noted an increase in complaints last year about websites that looked like those of legitimate businesses, but turned out to be fraudulent. These bogus companies frequently advertise through Facebook and offer brand-name, high-end products at greatly reduced prices. To add an air of legitimacy, they often display official-looking logos and American addresses, but the agency found that many of these businesses are actually located in China. In one complaint, a man ordered a trampoline advertised for \$66, but when he opened the package it only contained two facemasks. PayPal, through which he had paid, told him he'd have to return the merchandise to get a refund, but shipping to China would be very expensive and the company did not provide a pre-paid return. When the agency contacted PayPal on his behalf, it agreed to issue him a refund without requiring the package to be sent back.

*Common danger signs of fraud include: promises of sudden riches with no work or risk; unexpected demands for money to avoid something bad happening; popular items offered online at incredibly low prices; and requests to send payment for something using a money transfer service or gift cards. Protect yourself by checking with your state or local consumer agency before you take the bait.*

## **California**

With the pandemic limiting where people could go to meet others, online matchmaking sites became increasingly popular last year, as did romance scams. One victim who reached out to the consumer unit in the **San Francisco District Attorney's Office** for help was a professional woman, intelligent, well educated, and by her own description reasonably attractive. The man she was communicating with also sounded like an intelligent, well-educated professional person, and from his photo he was not hard to look at. After sending him \$100,000 in bitcoins, however, the woman realized that she was being scammed. Needless to say, the man was not who and where he claimed to be, and it was impossible to track down whoever got the bitcoins.

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

## Connecticut

The **Connecticut Department of Consumer Protection** has seen an increase in fraud concerning “notarios,” who falsely lead immigrants to believe that they can help them gain citizenship. In some other countries, notarios are attorneys, but in the U.S. a notary is not an attorney and cannot assist individuals with immigration. The use of the term leads to confusion and makes immigrants vulnerable to fraud. One complaint the agency received last year was from a woman who paid individuals more than \$8,000 over three years to help facilitate her U.S. citizenship. After many broken promises, she was still no closer to getting her citizenship or a refund of her money. When it was discovered that there were numerous other victims of the same individuals, the case was transferred to a federal agency. Fortunately, the woman was finally able to obtain her U.S. citizenship.

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

## Florida

As usual, the **Florida Department of Agriculture and Consumer Services** received many complaints last year about telemarketing fraud. One was from a man who received a call from someone claiming to be with Medicare. The caller said he could provide the man with a free knee sleeve. After verifying the address he then asked for his Medicare number. That’s when the man became suspicious. He asked the caller for his number and said he’d get back to him, but instead he reported the call, saying, “I am 65 and blessed with a good mind yet....I feel sorry for those who would fall for this scam and pass along their Medicare number.”

*No one from Medicare will ever call asking for your Medicare number or other personal information unless you’ve given them permission in advance, call to try to sell you something, enroll you in anything over the phone unless you called first, or visit your home. Learn more and report Medicare fraud at <https://www.medicare.gov/forms-help-resources/help-fight-medicare-fraud>.*

## New Jersey

Another example of a puppy scam was provided by the **Monmouth County Division of Consumer Affairs**. It also involved a French bulldog, which must have been a popular breed last year. The consumer saw the puppy advertised online from a breeder in Tulsa. After sending \$4,500 to buy the dog, the consumer was asked for \$700 more for the crate and shipping. When the breeder asked for a third payment for paperwork, the consumer finally got suspicious and contacted the agency. Investigators immediately noticed that the area code for the breeder’s phone number was in southern California, not Oklahoma. Checking online they found many complaints against the same person, who was never able to be located.

*You’ve heard the saying, “On the internet, no one knows you’re a dog.” It’s also hard to know if the person who is offering a dog for sale actually has it or if it’s a scam. One “tell-tail” sign is if you’re asked to send your payment via a money transfer service. Legitimate businesses don’t ask for payment that*

way, but fraudsters do because they can get the cash fast and it's hard to trace them. Pet scams are so common even the International Pet and Animal Transportation Association warns consumers about them. See <https://www.ipata.org/pet-scams>.

## Ohio

The **Ohio Attorney General's Office** prosecuted Matt Young, who misrepresented himself as John Q. Public, an accomplished musician and producer who has toured internationally and sold millions of albums. He used Facebook accounts to lure aspiring musicians from Australia, Canada, Europe, South America, Thailand and throughout the United States to pay for music development, recording and distribution – services they didn't receive. In December 2020, he pleaded guilty to telecommunications fraud and felony theft, was sentenced to three years of community control and ordered to pay \$8,880 in restitution.

*Swindlers sometimes impersonate celebrities or even create totally fictitious ones to lure people into sending them money, and social media platforms enable them to reach millions of potential victims all over the world. Search online for the name the person is using plus "scam" to see if anything pops up.*

Another fraud case brought by the **Ohio Attorney General's Office** was against Support by Experts LLC, Real Tech Experts LLC, and their owner, Aman Sachan, who operated a tech-support scam that deployed pop-up ads to trick consumers into believing that Microsoft, Adobe, or their computers' own operating systems were warning of a virus, security breach, or other problems. The ads directed consumers to get help from a call center, where the businesses misrepresented who they were in order to gain remote access to consumers' computers. Consumers were pressured to pay \$200-\$1,000 to fix the trumped-up problems. The defendants were permanently enjoined from violating state law and ordered to pay a \$50,000 civil penalty.

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

The top complaint at the **Cuyahoga County Department of Consumer Affairs** in Ohio last year was robocalls. Quarantined residents alerted the agency to an abusive new robocall technique that consisted of identical prerecorded messages delivered to landlines every 15 to 20 minutes, for hours on end. The abusive calls lasted for 24 to 48 hours and then ended as abruptly as they started. Initially, the calls were from "Olivia," who claimed that consumers' iCloud accounts had been hacked and warned them to contact Apple before they attempted to use any of their devices. A callback number was provided to reach "Apple support." The scammers constantly changed their Caller ID numbers, making it impossible for consumers to block the calls. One older resident called the consumer agency in tears about her continuously ringing phone. Others reported that even though they ordinarily don't pick up unknown

numbers, they were so fed up that they started answering to beg the callers to stop. Most of the calls went to landlines, and many of the people who complained about them didn't even own computers. The calls came in waves to different exchanges, so the agency could almost "watch" the calls hit a community for a day or two, and then complaints would suddenly stop and start from consumers in another area code. The problem got so bad that the consumer agency suggested that people tell their families to contact them a different way, and unplug the phone for 24 hours until the wave passed. Some were able to switch to using cell phones, but many of the consumers only had landlines, and some didn't have caller ID.

*Telephone companies are working on ways to block unwanted robocalls and stop fraudulent Caller ID spoofing. Ask your landline and/or wireless phone service provider what tools are available to you. For more information go to <https://www.fcc.gov/consumers/guides/stop-unwanted-robocalls-and-texts>.*

The **Cuyahoga County Department of Consumer Affairs** also noticed a jump in "charge pending" scams last year. These are robocalls that tell people that a significant charge – usually between \$299 and \$799 – is pending against their account. They're told if that's right, do nothing. But if it's wrong, call a number to report it. People who called the number to dispute the pending charge were then asked for their account information.

*Online shopping sites such as Amazon don't contact people to tell them a big order has just been placed using their credit cards and ask them to call if they didn't make the purchase. This is just another type of "phishing scam" designed to scare people into providing their passwords, credit card numbers and other sensitive information. See <https://www.consumer.ftc.gov/blog/2020/07/hang-business-imposter-scams>.*

## **Wisconsin**

Wisconsin residents also reported receiving a high volume of robocalls falsely claiming to be from Apple and stating there was a problem with the recipients' iCloud or Apple ID accounts. As in Ohio, consumers who complained to the **Wisconsin Department of Agriculture, Trade and Consumer Protection** said they were receiving multiple calls over short periods of time. One person reported receiving five calls in one hour. After pressing #1 and asking for the calls to stop, the consumer received an additional 12 calls in the following 90 minutes.

*If you get a robocall from someone to whom you did not give permission to make those kinds of calls to you, don't press certain digits on the keypad or call a number that's provided. You'd just be confirming your number to a scammer.*

Multiple consumers reported another scam to the **Wisconsin Department of Agriculture, Trade and Consumer Protection**, this one involving false advertisements for a recreational vehicle offered at a price far below market value. The ads were posted on Facebook Marketplace. Consumers who responded were told that vehicle was in storage and would be delivered within five days of their making payment through a third party. After they paid, however, the RV was never delivered and the seller could not be found. The complainants lost a total of more than \$115,000.

*Does the price seem too good to be true? That's because it's a scam. Never send money to individuals through websites that don't provide buyer protection.*



## Health Products/Services

### **New York**

When businesses close, consumers are often left with unused credits and gift cards. For example, a New York woman with a gift card worth \$517 to the Spa at La Bella called to make an appointment, only to get a recorded message that it was permanently closed and to contact the business via a PO Box address. She wrote requesting a refund but did not receive a reply. Happily, the **New York State Division of Consumer Protection** was able to contact the business and obtain a full refund for the woman.

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

### **Ohio**

After a multistate investigation, the **Ohio Attorney General's Office** joined 40 other states and the District of Columbia in a suit against C.R. Bard alleging that the company misrepresented the potential risks and complications of the surgical mesh it marketed. The case was resolved with a settlement that provided broad injunctive relief and a payment of \$116,860,000 to the states. Ohio's share was \$6,347,161.72.

*If you suspect there is a problem with a medical product, ask your state or local consumer agency where to report it.*

Many pharmaceutical companies have Patient Assistance Programs which provide free medications to qualifying low-income patients. Florida-based Prescription Hope advertised and sold a subscription-based medication advocacy service, charging consumers a monthly fee per medication to assist them with completing and submitting applications to these programs. Consumers in Ohio complained to the **Ohio Attorney General's Office** that Prescription Hope misrepresented the benefits it provided, didn't fully deliver the promised services, and wouldn't refund their money. The agency has sued the company and the case is pending.

*Should you pay to subscribe to a service for help obtaining low-cost or free drugs from pharmaceutical companies' patient assistance programs? Compare the monthly fee to the actual savings you might get. You can find the drug makers' patient assistance programs yourself using Medicare's directory at <https://www.medicare.gov/plan-compare/#/pharmaceutical-assistance-program>; some states also have directories, see <https://www.medicare.gov/plan-compare/#/pharmaceutical-assistance-program/states>. If the application forms are complicated, perhaps a trusted friend or someone from a social service agency can assist you. Another way to try to lower your drug costs is to consult with your doctor about generic drugs, which are less expensive than brand-name ones and may be as effective.*

## Home Improvement/Construction

### **Arkansas**

The **Arkansas Attorney General's Office** received a complaint last year from a man who had purchased an older residence that needed some renovation before it could be occupied. He hired a father and son

contractor team to work on the floors and cabinets and paint the interior with the promise of more work if their performance was satisfactory. After a month went by with no word on the progress of the work, he visited the house and discovered that one of the contractors was living in it, despite the fact that there was no electricity, gas, or running water. A large bucket was being used as a bathroom facility, and the place was in such a mess that it was difficult to determine if any actual work had been done. The man fired the contractors and asked the consumer agency for help to get a refund for the money he'd paid so far. Attempts to mediate the complaint were complicated by the fact that one of the contractors had no permanent residence, so correspondence was sent to his friends and family. The complaint has not been resolved and is now in the hands of the Arkansas Contractors Board.

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

Another home improvement complaint to the **Arkansas Attorney General's Office** was from an elderly couple who were struggling to keep afloat as they were raising their grandchildren with no support or assistance from their adult children. They had received a phone solicitation from a solar panel business located in southern Missouri and agreed to have the company come to make a sales presentation. The salesperson allegedly misled the couple and omitted some important information. For instance, he said they would receive a tax refund for installing the panels, which was not accurate; it is a tax credit. Furthermore, he did not inform them that if they failed to pay on the loan the company would arrange for, a lien would be placed on the property, nor did he explain how the solar system would work in conjunction with their existing electrical hook up. The couple agreed to the work, but after it was done the roof began to leak and there were other structural problems due to the fact that the roof could not support the weight of the panels. The consumer agency mediated an agreement for the company to purchase the loan for the couple, relieving them of that debt. However, the company disputed the allegation that the work damaged the roof. The couple has now retained a private attorney.

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

## **Florida**

In Florida, **Pinellas County Consumer Protection** received complaints from seven homeowners who hired a contractor to repair or install glass windows and doors. In each case, he collected payments but never performed any work. In addition, he did not have the license required to do the work. Charged with Scheme to Defraud, Unlicensed Contracting, and Failure to Secure Workers Compensation, the man was put on five years of probation, 104 days (time served) in jail, and to pay more than \$9,000 in restitution to the victims.

*If you've paid for home improvement work that was never even started, you may be the victim of a crime. Contact your state or local consumer agency.*



## Maryland

Helping a senior citizen who was ripped off by a contractor was one of the most gratifying accomplishments for the **Montgomery County Office of Consumer Protection** last year. The man was fixing up his house in order to sell it and move into a retirement community. He paid the contractor, who was unlicensed, \$15,000, but after starting the work the contractor abandoned the job. An investigator for the consumer agency tracked the contractor down to another state where he was living. The contractor was ultimately found guilty of criminal charges and sentenced to six months suspended incarceration, issued a suspended \$1,000 fine, ordered to pay \$15,000 in restitution, and put on supervised probation for 19 months.

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

One of the worst problems reported to the **Montgomery County Office of Consumer Protection** last year involved a major solar panel installation company. Consumers alleged that shoddy installation causing intrusion and leaks was discovered after a mere one-year installation warranty. The company said that it would take three to six months to remove the panels and another three to six months to reinstall them after the roof repair. This left consumers with the choice of possibly voiding the warranties on the solar systems by having unauthorized third parties remove and reinstall or allowing the leaks to continue damaging their homes. The consumer agency negotiated expedited removal and reinstallation of the panels and worked with the company to update its home improvement contracts to comply with applicable provisions of state law.

*Some problems with home improvement work only become evident after the warranty has expired. Contact the contractor as soon as you discover the problems. Take pictures and keep notes as documentation. If the issue is faulty materials or installation, it's likely that other homeowners are having the same problem. Ask your state or local consumer agency for advice about next steps.*

## New Jersey

After an extensive fire at her home, a New Jersey woman hired a contractor to make repairs. The contractor gutted the home but only completed some of the work to restore it. The **Hudson County Office of Consumer Protection** filed an action against the contractor in Superior court, which resulted in a settlement with the consumer and the imposition of fines, which the contractor was allowed to pay over a six-month period.

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

The worst complaints to the **Hudson County Office of Consumer Protection** involved a contractor who took \$1.5 million from 22 homeowners for work he never completed. In some cases, consumers were left with homes they couldn't occupy because only demolition and some framing had been done before

the contractor abandoned the jobs. In a settlement with the contractor, the consumers will get their money back in monthly installments over five years. The contractor was also fined for multiple violations.

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

After their home was demolished by Super Storm Sandy, the owners hired an architect to design a new beach house. He gave them an estimate for the construction, but they found someone to do it “cheaper.” What that person built was a disaster. It was bad enough that the new home wasn't structurally sound, but the builder (who had once done prison time for forgery) had forged the inspections and permits. The **Monmouth County Office of Consumer Affairs** uncovered that fact when checking the records revealed that the paperwork bore the signature of a man who hadn't worked for the town in many years. The builder had found his name in old records and used it. The consumer agency worked with the white collar crime detective in the Toms River Police Department, who arrested the builder. While the home had to be bulldozed back to the foundation and the owners lost the \$225,000 they had paid, they did get some satisfaction from seeing the builder hauled off in handcuffs.

*Before having a home constructed, consult with an attorney about whether a performance bond or other protections can be built into the agreement.*

### **New Mexico**

A New Mexico woman paid a company \$12,000 to build a pool. The work commenced without a permit and hit an underground power line. The crew left the yard torn up and the line exposed for seven weeks. When she could not reach the woman who owned the company, the consumer contacted the state agency that oversees the construction industry. That prompted the company owner to contact her and agree to cover the cost of moving the power line. However, the company owner subsequently informed the consumer that she couldn't complete the job because she didn't have a business license. The consumer asked her to hire a contractor to finish the project, but she never did. As a result of mediation, the **New Mexico Attorney General's Office** was able to obtain a full refund for the consumer.

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

### **North Carolina**

Last July the **North Carolina Attorney General's Office** obtained a preliminary injunction against a contractor and his company for perpetrating a residential contracting scheme. In one instance, the contractor convinced a 76-year-old woman with dementia to hire him to repair her roof, replace her gutters, install hardwood floors, and refurbish her deck and side porch. She paid more than \$250,000 from her retirement accounts for work and materials that were later independently valued at \$29,000 to

\$45,000. The injunction prevents the defendants from contacting any customers, performing any home improvement work, and collecting payments for contracting work for the duration of the lawsuit.

*Home improvement can be one of the most costly investments consumers make in their lifetimes. It's essential to get estimates and have a written contract that lays out the payments and total cost.*

## Ohio

The **Ohio Attorney General's Office** took action against several home improvement contractors, including:

- Weylin Stewart owned and operated Roofless General Contracting LLC and Gutter Downspout LLC. Consumers complained that they paid for work which was substandard or not done. The **Ohio Attorney General's Office** sued the businesses and Stewart in December 2020, alleging violations of the Consumer Sales Practices Act and the Home Solicitation Sales Act for failure to deliver, performing work in a shoddy manner, engaging in consumer transactions while having unsatisfied judgments arising out of previous consumer transactions and failure to provide proper notice of consumers' cancellation rights. The lawsuit seeks a declaratory judgment, a permanent injunction, consumer restitution, and civil penalties. This isn't Stewart's first rodeo – the agency had previously sued him and been awarded a judgment for similar violations. This new case is pending.
- John J. Drennan, owner of Basement Boost and Bath Boost in Cincinnati, pleaded guilty last year to charges brought by the **Ohio Attorney General's Office** that he took money from dozens of victims for home improvements he never made. He was ordered to pay \$176,496 in restitution.
- Douglas Pund, through his business Novum Custom Homes LLC, was accused by the **Ohio Attorney General's Office** of defrauding a couple who paid over \$500,000 for a new home. Pund failed to complete the build or to pay subcontractors, who placed liens on the property. Last year he pleaded guilty to one count of forgery and was sentenced to five years of community control and ordered to pay \$290,710 in restitution.

*If contractors are regulated in your area, check with the government agency that oversees that program on whether there have been disciplinary actions against the contractor you're considering. Be aware that subcontractors may be able to put liens on your property if the contractor hasn't paid them. Don't make the final payment until the contractor can confirm that the subcontractors have been paid for their work.*

## Pennsylvania

The complaints to **Bucks County Consumer Protection/Weights & Measures** that involved the largest monetary loss for consumers last year were against a kitchen and bath cabinetry company that went bankrupt. One of the problems the company faced was that significant tariffs which were imposed on the industry forced some overseas manufacturers to relocate their production facilities to other countries, significantly impacting the supply flow. The business tried but failed to obtain a loan extension to keep afloat. Unfortunately, it had taken payments from a significant number of consumers for cabinetry and stone countertop orders, many of which were well over \$10,000. Those who paid by cash, check, or debit suffered the largest losses; consumers who had paid by credit card were advised to dispute the charges with their card issuers, which enabled them to recover some or all of their money.

*Even legitimate home improvement contractors can run into financial or supply problems that prevent them from completing the job. Protect yourself by insisting on a contract that sets a payment schedule that is proportionate to the work that is done and the materials that are delivered. If the contractor has gone out of business, contact your state or local consumer agency for advice and assistance.*

### **South Carolina**

The **South Carolina Department of Consumer Affairs** received a complaint from an elderly woman who purchased a solar system for her home. The financing terms were not clearly explained and when she attempted to cancel she was told there would be an \$850 cancellation fee, which she could not afford to pay. After the consumer agency intervened, the business agreed to cancel the finance agreement and waived the cancellation fee, a savings of \$21,850.

*If the contractor is arranging for financing for the job, carefully read the loan agreement to make sure you understand the cost and terms.*

### **Virginia**

When a Virginia man's basement flooded, it caused damage to the concrete floor. He hired a company to apply a durable surface over the floor. Several days after work was completed, however, the floor began to peel, revealing dusty material underneath. The business offered to wire-brush the surface and recoat it. Researching the issue, however, the man discovered that the product the business used was not intended for that application. He asked for a refund, but the business refused. Through mediation by the **Fairfax County Department of Cable and Consumer Services** the business agreed to give the man a check for \$2,860.

*Take pictures to document shoddy workmanship and any damage it has caused, and ask your local or state consumer agency for assistance if you can't resolve the problem with the contractor.*

## **Home Solicitations**

### **Ohio**

The **Ohio Attorney General's Office** brought or concluded several cases last year involving illegal telemarketing practices. Here are three examples:

- The **Ohio Attorney General's Office** conducted a joint investigation with the attorneys general of Arkansas, Indiana, Michigan, Missouri, North Carolina and Texas to examine the business practices of Rising Eagle Capital Group and Jsquared Telecom. The businesses and their owners blasted billions of robocalls — including more than 56 million to Ohioans — offering extended automobile warranties and health care-related products. The attorneys general sued the businesses and their operators last year alleging violations of state laws and the federal Telemarketing Sales Rule. The lawsuit, which is pending, seeks a permanent injunction, consumer restitution and civil penalties.
- Another multistate investigation in which the **Ohio Attorney General's Office** participated was of satellite giant DISH Network. The company, directly or indirectly through third-party

telemarketers, made millions of calls to consumers on the National Do Not Call Registry and used artificial or prerecorded voices without the consumers' prior consent. In 2009 the attorney generals of Ohio, California, Illinois and North Carolina as well as the Federal Trade Commission joined Ohio in suing the company. No settlement was reached and the case went to trial. In 2017 the court issued a decision in favor of the plaintiffs, but the company appealed. Finally, the parties settled last year. Ohio's share of payment was \$17,031,000.

- In an investigation of the marketing practices of LE Energy LLC dba Utility Gas and Power for the sale and supply of retail natural gas and electricity, the **Ohio Attorney General's Office** found that the business engaged in a pattern of soliciting residential telephone subscribers whose numbers were on the National Do Not Call Registry. The company entered into an Assurance of Voluntary Compliance last year in which it agreed to comply with telemarketing laws, pay \$8,400 for distribution to consumers who complained about its solicitations and make a \$20,000 payment to the state's Consumer Protection Enforcement Fund.

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

## **Household Goods**

### **Maryland**

Warranties sold through retailers or independently to cover the costs when appliances break down don't always provide hassle-free relief. In one complaint to the **Montgomery County Office of Consumer Protection** last year, a senior citizen caring for her 99-year-old mother said their refrigerator had stopped cooling, causing food spoilage and several hundred dollars of food loss. She made a claim on the home warranty she had purchased, and the warranty company dispatched repair technicians several times to try to fix the problem, but they were unsuccessful. After several months, the warranty company promised to replace the refrigerator, but with no working refrigerator and no delivery date for the new one, the woman asked the consumer agency for help. The investigator persuaded the warranty company to give the woman a check for nearly \$2,000 so she could buy a replacement herself.

*Resist pressure to buy extended warranties. They usually have all sorts of exclusions and limitations and don't provide much more protection than the manufacturer's warranty that comes with the appliance. Even if you buy an extended warranty, you may have to be persistent to get repairs or a replacement. Keep notes of your communications with the warranty company, including the dates, who you dealt with, and what you were told in case you need that information to make a complaint or take other action.*

Another Maryland consumer with a malfunctioning refrigerator complained that the manufacturer delayed in dispatching a service technician through its third-party warranty company for months, and when the technician finally arrived, he couldn't resolve the problem. The investigator in the **Montgomery County Office of Consumer Protection** found that the company for whom the technician worked did not have the required registration to perform the repairs. Negotiations resulted in a replacement refrigerator valued at more than \$1,000. The consumer agency is also working with third-

party warranty companies to ensure that the repair services they use in Montgomery County have the proper credentials.

*It's aggravating when appliances break down and even more aggravating if you are being bounced between the manufacturer, the retailer, and the company that handles the warranty claims. Keep track of your communications as you try to resolve the problem and contact your state or local consumer agency if you need help.*

## **Virginia**

A Virginia woman complained to the **Fairfax County Department of Cable and Consumer Services** that the leather sofa and loveseat she purchased for more than \$3,000 were peeling, and she had been unable to resolve the problem with the furniture store. When the consumer agency contacted the business, it apologized, explaining that new procedures and reduced staffing due to COVID-19 were causing delays in responding to customers. While the business argued that the furniture was not defective, it ultimately agreed to replace it.

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

## **ID Theft**

### **Ohio**

In 2014, hackers infiltrated the computer system of Community Health Systems, which operated more than 200 hospitals in 29 states, stealing the personal information 4.5 million of its patients including names, birthdates, addresses, Social Security numbers, and telephone numbers. The breach led to an investigation and subsequent lawsuits by the **Ohio Attorney General's Office** and 27 other states. Last year a settlement was reached requiring a \$5 million payment to the states. Ohio's share was \$162,939.76. In addition, it provided robust injunctive relief to prevent similar breaches, including an agreement by the company to develop a written incident response plan, incorporate security awareness and privacy training for all personnel who have access to personal health information and limit unnecessary or inappropriate access to that information, and implement specific policies and procedures regarding business associates, including use of business associate agreements and audits of business associates.

*Most states require residents to be notified about data breaches, and in some cases, to be provided with certain types of assistance. Federal law now allows consumers to ask the credit reporting agencies to "freeze" their credit records, at no charge, whether they are ID theft victims or not, to make it harder for their personal information to be misused if it does fall into the wrong hands. For more information go to <https://www.consumer.ftc.gov/articles/0497-credit-freeze-faqs>.*

## **Internet Sales**

### **Connecticut**

An elderly disabled man in Connecticut ordered items online from a large retailer using the in-stock local store option. After he paid and was given a delivery date, however, the retailer canceled the order because the merchandise was no longer in stock. The man questioned whether the items were sold to other customers after he bought them through the retailer's website. The **Connecticut Department of Consumer Protection** contacted the retailer, which agreed to have the items delivered to his home at no charge from its stores around the state. The complaint initiated a dialogue between the consumer agency and the retailer about ensuring that the information on its website accurately corresponds with in-store inventories.

*When you order something by phone, by mail, or online, federal regulations require the merchandise to be shipped by the time promised, or if no delivery date was specified, within 30 days. If the delivery is delayed, you must be notified and given the choice to wait longer or cancel for a refund. The retailer can cancel the transaction, however, if it had a reasonable basis to believe that it could make timely delivery when it accepted your order but later learns that it cannot.*

## **Florida**

Free trial offers are a frequent source of complaints to state and local consumer agencies. A man complained to the **Florida Department of Agriculture and Consumer Services** that he signed up for a free trial of a company's CBD oil but was retroactively charged for the product and was now going to be charged monthly. The company told him that to get his money back he'd have to return the package unopened, but since he had already opened the package in order to try the product out, that was not possible. When the consumer agency contacted the company, it contended that the man had not canceled until a week after the free trial period ended. Under the terms of the offer, consumers had to cancel before the end to avoid continuing to receive the product and the monthly charges. Because the man had already asked his credit card issuer for a chargeback, no refund was necessary, and the company agreed to end his subscription without further charges.

*A free trial offer doesn't mean that you get something for free, no strings attached. Typically you'll be charged unless you cancel before the trial period ends, and depending on the terms of the deal, the charges may go on and on every month indefinitely. Be sure you know exactly what you're getting into if you agree to a free trial offer and report any problems to your state or local consumer agency.*

## **Georgia**

Built Rite (Built Rite Mobile Concessions, LLC, Built Rite Cookers, LLC and Built Rite Cookers/Smokers, LLC, and Donald Boston) sells food trucks, trailers, barbecue cookers and smokers, as well as designs for them, to customers throughout the U.S. and Canada. The company advertises on Facebook and its website, then negotiates over text message, email, and/or Facebook chat. Buyers – a mix of consumers and businesses – submit payment electronically (through Facebook, Google Pay, and the like), via wire transfer, or by check. The **Georgia Attorney General's Consumer Protection Division** alleged that the company:

- Solicited orders when it had no reasonable basis to expect that it would be able to ship the merchandise by the time promised or within 30 days;
- Failed to deliver on time or within 30 days and did not offer buyers the option of waiting longer or receiving refunds;



- Intentionally delayed work on buyers’ orders if they complained to the company or to third parties;
- Intimidated and threatened to sue customers who complained to the company or to others about its failure to deliver or provide refunds;
- Sent photographs to customers purporting to show progress on their merchandise when those photographs were actually of other merchandise;
- Altered customer invoices post-sale, adding terms that were contrary to what customers were told or weren’t disclosed to them prior to sale;
- Threatened customers who complained or requested refunds with a “restocking fee” that was not part of the original terms and/or disclosed prior to sale;
- Operated unauthorized raffles; and
- Failed to provide the merchandise to raffle winners.

To resolve these allegations, Built Rite entered into a Consent Judgment requiring it to pay \$338,545.72 in customer restitution, comply with applicable Georgia law, and pay a civil penalty, which could be waived if the company complied fully and no further valid complaints were made before November 20, 2024. The Judgment also required the company to stop advertising, soliciting or taking payments for, operating or conducting any raffles.

*If you are thinking about buying expensive equipment online, check the seller’s reputation with the Better Business Bureau and on complaint websites. Make sure you know the terms of the deal and print the details of the transaction to keep in case any questions or problems arise later. If you can’t get clear answers for why there is a delay, or the seller doesn’t fulfill the contract in a timely manner but tries to intimidate you or charge you for canceling, contact your state or local consumer agency.*

## Ohio

Mosley’s Meat Market sold meat through its website. Some consumers complained to the **Ohio Attorney General’s Office** that they paid for orders that weren’t delivered; others said the meat they received was spoiled. The agency filed a lawsuit against the company and its owners last November, seeking a declaratory judgment, a permanent injunction, consumer restitution, and civil penalties. The case is pending.

*Buying perishable goods online can be risky if the seller doesn’t package it properly and deliver it promptly.*

## New York

A woman purchased a bedspread online and paid through PayPal. Unfortunately, the box that arrived didn’t contain the bedspread, just a pair of cheap sunglasses. To make matters worse, the woman was charged twice for the purchase. The woman tried to obtain a refund from PayPal, but PayPal said she needed to contact the seller. When that attempt failed, the woman contacted PayPal again to dispute the transaction. PayPal refused to issue a refund. After the **New York State Division of Consumer Protection** reached out to PayPal, it agreed to issue a full refund.



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

## **Landlord/Tenant**

### ***California***

The Office of Immigrant Affairs at the **Los Angeles County Department of Consumer and Business Affairs** came to the assistance of an immigrant family with six young daughters who were living in a car. Their landlord failed to give them advance notice before selling their apartment, leaving the family with no time to look for another place to live. Furthermore, the family's means of support, a street-vendor business, suffered a major decrease in revenue due to COVID-19. The Office of Immigrant Affairs worked with community organizations to seek short-term housing options for the family and help them apply for cash aid, connect with local food banks, and receive services from the street vendor program in the county's Office of Small Business. The family received a \$1,000 award from a community organization and is now decently housed.

*You may be entitled to a certain amount of notice before your landlord can unilaterally end your tenancy. If you're unsure whether your landlord is treating you fairly, don't suffer in silence. Ask your state or local consumer agency for information about your rights and how to enforce them.*

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

Four months after moving out of her apartment and despite repeated calls, emails, and visits to the office, a woman still had not gotten her security deposit back. There seemed to be no dispute, and each time the woman contacted the office the staff apologized, took her contact information and promised that a check would be sent. Finally she turned to the **District of Columbia Attorney General's Office** for help. She promptly received the check for \$895.43.

*Tenants are generally only responsible for damage or other problems they and their guests cause. If your security deposit has been wrongly withheld or isn't returned to you in a timely manner, contact your state or local consumer agency.*

### ***Florida***

A tenant complained to the **Florida Department of Agriculture and Consumer Services** that toilets in her eight-unit apartment complex were constantly clogged due to problems with the septic tank and plumbing. Other tenants had confirmed that this was an issue of long-standing. They had never been billed for repairs, but the new owner was now adding pro-rated charges for repairs to the tenants' accounts. The complainant, a mother with a small child, wanted the problems to be fixed at no charge to the tenants. When contacted by the consumer agency, the owner claimed to have made all necessary repairs after purchasing the property, including a new drain field for the septic tank, and that the

plumbing was deemed in good condition. The problem, according to the owner, was that the system was being clogged by disposal of baby wipes, grease, sludge, wax paper, and other inappropriate items. The first two times clogs occurred, the tenants were not charged, but everyone was put on notice, and the owner insisted that now tenants would have to pay for repairs that were needed because of their negligence. If they chose to move out, however, they could break their leases with no penalty.

*Many states require landlords to ensure that their rental property meets certain safety and health standards. But tenants are generally responsible to treat the property respectfully and avoid causing damage. Your state or local consumer agency can give you information about your rights and responsibilities as a tenant and help to mediate disputes with the landlord.*

The **Hillsborough County Department of Consumer & Veterans Services** provided four horror stories from the landlord/tenant complaints it received last year:

- A woman paid a security deposit of \$700 to lease a home. She was unaware of long-term plumbing and septic system issues, so she was unpleasantly surprised when it rained and raw sewage backed up into the home. She found out that the same thing happened to the previous tenant, whose personal belongings had been damaged as a result. She also learned that code enforcement violations had been cited on the property, including the septic clean-out, which was deemed a safety hazard. This was especially concerning because her children played near the clean-out, which the landlord had covered with old plywood. The woman felt that the landlord deceived her by leasing the property without disclosing these problems. In fact, she said that prior to signing the lease, the landlord assured her the property was in good, habitable condition. With the help of the **Hillsborough County Department of Consumer & Veterans Services** she was able to get out of the lease without penalty and obtain a full refund of her security deposit so she could move elsewhere.
- The duplex a woman rented for herself and her children had multiple problems: there was a roof leak that the landlord had ignored for several months, there were plumbing problems in the kitchen and bathroom, the air conditioner leaked, and all the windows had been glued shut. She had to turn off the water to the toilet after every flush to prevent it from overflowing, and wash her dishes in a bucket. She feared for the safety and wellbeing of her family. The **Hillsborough County Department of Consumer & Veterans Services** got her out of her lease without penalty and a refund for her security deposit of \$1,055.
- A family was living in an apartment in deplorable condition. The bathroom ceiling was covered with black mold due to a water leak that eventually caused it to cave in. There was also water damage to the bathroom baseboards and floors. The landlord had ignored all requests to repair the problem. Again, the **Hillsborough County Department of Consumer & Veterans Services** was able to help the family terminate the lease and get the security deposit of \$638 refunded.
- The worst complaint was from a woman whose apartment was infested with rats. The problem was so bad that the rats ate the family's food and got into their beds while they were sleeping. She killed four rats and was terrified. Furthermore, the stove was inoperable, the sink leaked, the shower was unusable, and the window in the children's bedroom was broken. She felt it might be safer to be homeless. Through the efforts of the **Hillsborough County Department of Consumer & Veterans Services** the landlord agreed to hire companies to get rid of the rats and fix the other problems so that the family could live in a safe, clean and rodent-free home.

*If you contact your landlord about health or safety problems with the property, you may want to follow up with a letter and keep a copy so you'll have a record. The time limits for landlords to make repairs*

*may depend on the seriousness of the problems. Your state or local consumer agency can give you information about the landlord's obligations. If timely action isn't taken to remedy the problems, contact the local inspector. Some state laws specifically protect tenants from retaliation for reporting health code violations. You may be able to break the lease if the house or apartment becomes uninhabitable because of the issues.*

## **Moving**

### ***Florida***

A Florida woman hired a moving company to move her belongings from one residence, store them temporarily, then transfer them to her new home. She complained to the **Florida Department of Agriculture and Consumer Services** that the mover lost some items and that when the couch was delivered after storage it was full of mold. The moving company had sent a technician to look at the couch, who said the problem could not be fixed. The woman claimed she'd been told she didn't need to purchase insurance except for the move out of storage, and that the company was being unresponsive and evasive about resolving the issues. In its response to the consumer agency, the moving company said that the woman expressly declined to purchase insurance to provide protection above the normal amount of liability except for the move from storage to her new home, which cost an additional \$245. Because the mold damage did not occur during that move, it was not covered by the insurance. The normal liability of \$.60 per pound, applied to the damaged couch, lamp, and chair, came to \$123.60, and a check for that amount had been mailed to the woman. As a goodwill gesture, however, the company said it would refund the extra \$245.00 she paid.

*Always get a written estimate for moving services and be sure you know what is included in the price, including how compensation will be calculated if anything is damaged. You may want to purchase additional insurance if you have valuable furniture or other belongings. If your property is going to be in storage for a while, inspect the storage area first to look for signs of water and other potential problems.*

## **Pets**

### ***Florida***

**Pinellas County Consumer Protection** received a complaint from a consumer who purchased a puppy from a local pet store for \$2,100. It soon became apparent the puppy was sick and needed veterinary treatment. The pet store owner had refused to provide a refund or help cover the veterinary bills. Through mediation the parties came to an agreement in which the consumer was reimbursed \$2,560.20 for veterinary costs.

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

## Real Estate/Timeshares

### *Arkansas*

In 2016, an Arkansas couple's oldest son left home to attend college and was living on campus. Heartbreakingly, while there the son overdosed on a prescription opiate drug provided to him at a party. About eight months later while vacationing in Florida, the couple attended a timeshare presentation. The salesperson assured them that the developer would "buy back" the timeshare any time they desired. They went home without making a purchase, but the salesperson continued to contact them and eventually they agreed to buy a timeshare, thinking that it would enable them to travel more and alleviate their sorrow. The developer arranged for financing for the \$13,500 purchase price. In May 2020, as the couple's youngest son was graduating from high school, they realized they couldn't afford to send him to college and keep the timeshare. Remembering the salesperson's promise, they asked the developer to "buy-back" the timeshare but were told they would have to pay the balance of \$11,200.00 on their loan before they could deed back the property. The **Arkansas Attorney General's Office** negotiated an agreement in which the couple paid half of the loan balance, \$5,600, and the developer took back the timeshare and released them from the remaining balance.

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

### *Florida*

Last year, **Pinellas County Consumer Protection** received complaints from nearly 100 consumers who responded to unsolicited calls from a listing company offering to sell vacant lots they owned. The company claimed there was a developer willing to pay as much as \$25,000 for the lots, which in most cases were valued at between \$1,000 and \$5,000. But, the caller said, the developer wanted to buy a block of lots in bulk, and to add the consumers' lots to the grouping they would need to pay a "portfolio listing fee" of \$2,000 to \$3,000, which would be fully refunded at closing. Overnight envelopes were sent to the consumers with two copies of a listing agreement and a return overnight envelope for them to send a signed copy back with their checks. A month or so later, however, the consumers were told that the deal fell through, but there was a new buyer willing to pay even more for the property if they paid another portfolio fee. This pattern continued for as long as consumers were willing to send more money. In some cases, they were told the closings had been scheduled, but due to COVID they could not attend in person and would need to pay for someone to represent them. No consumers who filed complaints have sold their property. The investigation is ongoing.

*Selling real estate can be complicated. Have a lawyer review the paperwork and advise you on any requests for listing fees or other payments you're asked to make.*

## New Mexico

A New Mexico woman complained to the **New Mexico Attorney General's Office** that after selling her home, the title company was demanding payment for fees that had not been included as part of the closing. In addition, unbeknownst to the buyer of the home, the title company had filed a lien on the property. The consumer agency intervened and the title company agreed to drop the demand for payment and release the lien. One year later and despite the agreement that had been reached, the title company sued the woman for \$80,000. The consumer agency intervened again, and the title company agreed to dismiss the lawsuit.

*It's worthwhile to have a lawyer represent you when you buy or sell a home to make sure that the property is free of liens and there are no other problems that could come back to haunt you later.*

Another complaint story from the **New Mexico Attorney General's Office** involved a company, Resort Termination Group, in which the complainant purchased services from Resort Termination Group and tried to cancel her timeshare in Mexico. She paid \$4,500 and then heard nothing more until a year later when she received a letter from the company stating that it had going out of business. The consumer agency was able to get her a full refund.

*Own a timeshare you don't want or can no longer use? Avoid companies that ask for fees upfront to sell your timeshare, regardless of whether they succeed, and don't believe them if they claim they have eager buyers waiting. Consult with a licensed real estate broker or agent who can tell you if there is a market for your timeshare and will only take a fee if it's actually sold. For more information about buying and reselling timeshares go to <https://www.consumer.ftc.gov/articles/timeshares-vacation-clubs-and-related-scams#avoid>.*

## Ohio

Last year the **Cuyahoga County Department of Consumer Affairs** received a plea for help from the daughter of an elderly widow who had bought so many timeshares from a company that she depleted the funds her late husband had left for her care. Every time the woman bought a new timeshare, the company sold her a new loan to finance it. According to the complaint, at one point a salesman called the woman as she was at a funeral home making burial arrangements for a relative. The salesman agreed it was a bad time and called back the next week to close a new deal. On another occasion, the salesman's pitch dragged on so long that the woman fell asleep before agreeing to buy another timeshare. By the time her daughter filed a complaint, the woman was struggling to make the loan payments. The consumer agency persuaded the company to cancel the contracts, forgive the loans without penalty, and refund the woman's money.

*Some timeshare companies are unscrupulous, using high-pressure sales tactics and lies to wear people down and get them to agree to make a purchase – or even to buy multiple timeshares. If you or someone you know was abused by a timeshare company, ask your state or local consumer agency for advice about what to do.*

## South Carolina

The **South Carolina Department of Consumer Affairs** has seen yearly increases in complaints concerning homeowner associations since legislation concerning them was enacted in the state in 2018. While the law does not give the consumer agency enforcement or oversight authority, it does enable the agency to offer voluntary mediation for homeowner association complaints and requires it to provide a yearly report to the legislature. One complaint last year was from an elderly couple who accused the management company and the board of failing to provide upkeep or enforce the rules and regulations. The complaint resulted in noticeable improvements such as power-washing buildings and removing trees and hedges.

*The board of directors of a homeowner's association sets the rules owners must abide by and is responsible for collecting fees and enforcing the rules. The board is also responsible for ensuring that the common areas are well-maintained. In addition to the association's rules, there may be state or local laws that apply. If you have a problem or question about your rights, your state or local consumer agency may be able to provide advice and assistance.*

## Retail

### Florida

A disabled veteran in Florida sought help from the **Hillsborough County Department of Consumer & Veterans Services** after the expensive Panerai watch he'd bought needed to be returned repeatedly for repairs. He had purchased an eight-year warranty, but the business did not seem eager to continue trying to repair the watch and at that point he just wanted his money refunded. The consumer agency was able to negotiate with the business to buy the watch back for the original price of \$10,580.

*The products you buy should perform as you would expect them to for a reasonable period of time, whether they are covered by written warranties or not. If a product stops working repeatedly, you may have the right to insist on a replacement or a refund.*

### New Mexico

A mobile home dealer in New Mexico sold a mobile home to an elderly man with stage four cancer for approximately \$54,000 in cash. Plans to move the home to property owned by the man's stepchildren fell through, however, leaving him with no place to put it. The mobile home dealer agreed to sell it for him on consignment. When it sold, however, the dealer didn't tell the man and pocketed all the money. On learning this, the man filed a complaint with the **New Mexico Attorney General's Office**. The mobile home dealer went around the consumer agency, deceiving the man into signing a release for a refund of only \$35,000. The agency forwarded information about the complaint to the mobile home regulator in the state. As a result, the dealer's license was revoked and the man received the balance due him.

*A mobile home is a big investment. Before you buy one, make sure you have a place to put it, since there is no automatic right to cancel the purchase if your circumstances change.*

## Ohio

Consumers complained to the **Ohio Attorney General's Office** that they paid Hayes Distributors Inc., dba The Casket Store, for caskets, urns and headstones that were never delivered and that the business refused to provide refunds. Last year the agency sued the business and its owner, Karen Hayes, and obtained a default judgment for \$6,625.98 in consumer restitution and a \$10,000 civil penalty.

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

## Services

### Maryland

The **Montgomery County Office of Consumer Protection** discovered that several master plumbers, electricians and HVAC repair firms in the area were “brokering” or renting out their licenses for use by unlicensed businesses. In one case, a home service contract company dispatched Plumber A, who falsified his credentials by providing a copy of the license belonging to Plumber B, to the consumer's home (Plumber B claimed to be a victim of identity theft and would not admit he had brokered his license). When Plumber A could not repair the hot water heater in question, he referred the consumer to Plumber C, who was also unlicensed. That plumber performed the work—albeit incorrectly. The consumer agency worked with the state plumber licensing agency to bring the brokering situation to light. The home service contract company removed Plumber A from its roster. Plumber C was ordered by a court to make restitution to the consumer and pay a fine. The court also issued an abatement order against Plumber C, prohibiting him and his business from advertising or performing plumbing services until the necessary license has been obtained.

*If you have reason to believe that a plumber, electrician or heating and air conditioning contractor is not competent to do the work properly, ask your state or local consumer agency where you should report the problem.*

## Ohio

Patricia North owned and operated Cincinnati Fluteworks, an unincorporated musical instrument repair shop that also offered to sell instruments on consignment. Consumers complained that they sent instruments but the repairs were never made, they didn't receive proceeds from the sale of their instruments, or they never got their instruments back. The **Ohio Attorney General's Office** sued North, seeking a declaratory judgment, a permanent injunction, consumer restitution and civil penalties. The case is pending.

*Be cautious before entrusting valuable items for repairs or consigning them for sale. Get a written receipt that describes what will be done. Don't make any payments until the repairs have actually been made. Commissions for sales are normally deducted from the proceeds. Be sure you know what will happen with your items if they do not sell.*



Another case brought by the **Ohio Attorney General's Office** was against Kimberly Mackay, dba Little Moments to Love Photography. Consumers complained that Mackay failed to attend prepaid photography sessions or to deliver the photographs they purchased. The litigation concluded last year with a declaratory judgment, permanent injunctions, \$648 for consumer restitution and a \$5,000 civil penalty.

*Paying for services with a credit card rather than a check gives you added protection because you can dispute the charges if they aren't performed or are not done correctly.*

## Towing

### *Florida*

A Florida man complained to the **Broward County Environmental and Consumer Protection Division** that his truck had been improperly towed from a garage where he had taken it for repairs. Apparently there was a disagreement between the man and the garage owner – he accused the garage of previously trying to steal his truck by putting a lien on it. Before it was towed he'd unsuccessfully attempted to retrieve the truck from the garage, which refused to let him have it unless he signed a release to resolve their issues. He also contended that the tow was not reported to the local police as required, so he had no idea where his truck was. When the consumer agency contacted the garage owner, he first claimed not to know which tow company came to pick up the vehicle. However, after continued conversation he agreed to have the truck returned to his shop. The consumer agency advised him that since he did not have a current county auto repair license, no work should have been done on the vehicle anyway. The truck was retrieved and released to the complainant unconditionally.

*If you believe that your vehicle was towed from private property unfairly, ask you state or local consumer agency for information about the laws that apply and what your rights are.*

The worst towing complaint to the **Broward County Environmental and Consumer Protection Division** last year was from a townhouse resident who was the victim of an unfair triple-tow. He had a two-car garage, with parking spots behind each. Trailers are not permitted per the association parking rules and regulations. One night he returned home with his motorcycle on the trailer and since it was getting dark, he decided to back the car with the trailer attached and the motorcycle on it against the garage, with the intention of unloading the bike in the morning. In the wee hours, however, the car, trailer and motorcycle were towed. His security video showed them being hauled away still connected together. He was charged \$161.32 for each vehicle, a total of \$483.96. The tow receipt indicted "Other" as the reason for the tow and the association manager would not give him a clear explanation for why it was done. He thought it might have been because of a "trailer" violation, but if that was the case, he felt he should only be charged for one vehicle, not three. The consumer agency advised the tow company that it was in violation of the county towing ordinance but it refused to voluntarily provide a refund. An administrative hearing resulted in restitution being ordered for the full amount the man was charged.

*Failure to obey the parking rules set by apartment complexes, condominium, and homeowners associations can result in a costly tow. If you believe a tow was improper or you were overcharged, pay the fee to avoid storage charges and contact your state or local consumer agency for advice.*



## Virginia

A Virginia military man had to move out of his apartment after receiving orders for a new duty station. He borrowed a truck to tow a U-Haul and parked it in his reserved parking space. The landlord had the vehicle towed, however, with no notice as required by the apartment complex rules. After the **Fairfax County Department of Cable and Consumer Services** intervened, the man received a refund of \$40.

*If you are parking a vehicle that you don't own in your designated parking space at your apartment complex, you might want to let the management know to avoid confusion and an unnecessary tow.*

## Travel

### Ohio

Consumers complained to the **Ohio Attorney General's Office** that DarlaTours, which sold vacation travel packages, failed to provide the services they'd paid for or that their deposits were not refunded when they canceled trips within the timeframe allowed by their contracts. The agency sued the business and its owner, Darla K. Moore, last year and obtained a declaratory judgment, a permanent injunction, \$92,726 for consumer damages and a \$25,000 civil penalty.

*Many travel agencies and tour companies belong to the American Society of Travel Advisors (ASTA), whose code of ethics requires members to deliver the services they promised and make prompt refunds when they are due. See Traveler Support under Find a Travel Advisor on the website, <https://www.asta.org/>. The safest way to pay for travel is by credit card because you can dispute the charges if the services were never provided or the refund to which you are entitled wasn't made.*

## Consumer Agencies' Biggest Achievements in 2020

Every year we ask state and local consumer agencies about their biggest achievements in resolving consumer problems, improving their internal operations, and educating the public. The COVID-19 pandemic had profound impacts on the complaints they received, the manner in which they operated, and their ability to provide public outreach. This is reflected in many of the responses we received this year. As one agency said in a note, "The fact that we were able to continue serving the public was our biggest achievement last year!" The hard work and ingenuity of these agencies is evident from the information they provided.

### Resolving Problems

#### *Arkansas*

The **Arkansas Attorney General's Office** described several achievements in combatting fraud last year, including:

- Collaborating with the Little Rock Municipal Airport Commission, FBI, and U.S. Attorney's Office to stop a puppy scam operation from using the Clinton National Airport as a front (see page 39).
- Hosting a Multi-Disciplinary Team (MDT) on financial exploitation of seniors. Other members of the team include the Arkansas Securities Department, Medicaid Fraud Control Unit, Adult Protective Services, and representatives from the state's banking industry. The MDT serves to generate new targets/investigations, collaborate with other regulators to better meet the needs of seniors, and gather information for future legislative activity.
- Implementing the "Money Mule Protocol," through which investigators and attorneys identify and take action to stop Arkansans who have been recruited by scammers to funnel their ill-gotten funds out of the country, and reporting money mule activity in other states to the appropriate state and federal law enforcement agencies. In one case, the agency filed suit against a woman for facilitating telephone lottery scams by fraudulently opening multiple bank accounts to deposit payments from victims and allowing the scam operators to withdraw the funds. She allegedly transferred approximately \$6 million to the scam operators over three years. The case is pending.
- Sending a letter to pastors of over 100 African-American churches advising the pastors and their parishioners that "blessing looms" were illegal pyramid schemes in an effort to educate consumers (see page 39).
- Working with the Arkansas Department of Workforce Services and U.S. Attorney's Office to investigate fraudulent unemployment claims (see page 17).

#### *California*

The **Los Angeles Department of Consumer and Business Affairs** joined in a [state/local/private partnership](#) to provide small businesses 30 days of free personal protective equipment, including face coverings, face shields and hand sanitizer. The "PPE Unite" program distributed approximately 5.5

million units of personal protective equipment at no cost to businesses to help them re-open their doors and bring employees back to work.

The **San Francisco District Attorney's Office** filed felony charges last year against an unlicensed contractor for grand theft, using a contractor's license with intent to defraud, filing a false or forged instrument, forgery, and insurance fraud. The contractor conducted business from 2015-2018, using several contractor's license numbers that were not his own. The joint District Attorney and Contractors State License Board investigation focused on 15 job sites where he allegedly performed fire alarm service or installation. He also is alleged to have submitted signed forms to the San Francisco Department of Building Inspection misrepresenting himself as a licensed contractor. Proper inspection of fire alarm systems is vital to the safety of those who live, work or visit a building, especially in a city like San Francisco where there are so many older, wood structures. News about the case helped to raise public awareness about the importance of hiring a licensed contractor and how to report contractor problems.

### *District of Columbia*

Last September the **District of Columbia Attorney General's Office** participated in a national settlement with PEAKS Trust that resulted in approximately \$330 million in debt relief for 35,000 borrowers who had outstanding principal balances. PEAKS Trust, a private loan program run by the now-defunct for-profit school, ITT, provided more than \$580,000 in debt relief for former students in the District as part of a settlement. Until September 2016, ITT enrolled consumers in classes at 149 locations throughout the country. ITT and Deutsche Bank formed PEAKS Trust, a private loan program, after the 2008 financial crisis when private sources of lending available to for-profit colleges dried up. Together, ITT and PEAKS developed a scheme to target low-income consumers with temporary zero-interest loans to cover the gap in tuition between federal student aid and the full cost of tuition. When students failed to pay on time, ITT coerced them into accepting PEAKS loans to pay off their temporary loans, making the temporary loans merely an entry point to riskier credit lines that posed an unsurmountable financial burden to many of the students. Consumers who did not accept the loan terms were threatened with expulsion. The settlement was with PEAKS Trust; ITT filed bankruptcy in 2016 amid investigations by state attorneys general and following action by the U.S. Department of Education to restrict its access to federal student aid. PEAKS agreed to forgo collection of the outstanding loans and shut down. It also agreed to notify borrowers about the canceled debt and ensure that automatic payments were canceled. In addition, the settlement required PEAKS to supply credit reporting agencies with updated information on affected borrowers.

### *Florida*

One of the biggest achievements for the **Florida Department of Agriculture and Consumer Services** last year was providing refunds to consumers who were members of a health studio that closed. The agency also took action against a telemarketer who violated the state's Do Not Call law, imposing a significant penalty which will hopefully serve as a deterrent to others.

To ensure that the mask mandate was being followed, the **Hillsborough County Department of Consumer & Veterans Services** participated in a "COVID Compliance Blitz," an interagency effort to inspect local businesses. Another notable achievement for the agency last year was helping a woman obtain \$12,616 in wages she was owed. She was so short of cash that she was living off her credit card.

Her employer claimed that the reason for the delay in paying her was that it was waiting for payment from a client, but the investigation revealed that the client had already paid.

Another major achievement for the **Hillsborough County Department of Consumer & Veterans Services** was making a presentation to the Board of County Commissioners of Hillsborough County about consumer problems related to the Property Assessed Clean Energy (PACE) program within unincorporated Hillsborough County. PACE allows consumers to make energy efficiency, renewable energy, and water conservation upgrades to their homes. The contractors are paid by the program and the homeowners' loan payments are added to their property taxes. If the work is preformed shoddily or not completed, consumers are still liable to pay for the loans on their tax bills and liens may be placed on their homes if they don't. Late last year, after notice was provided to each of the four PACE lenders, the County terminated all four agreements effective December 7, 2020.

In addition to their normal duties, staff members of **Pinellas County Consumer Protection** assisted with other county priorities such as reviewing and approving CARES ACT funding applications and working at county COVID testing sites.

### ***Maryland***

The biggest success for the **Maryland Attorney General's Office** last year was keeping its consumer hotline open during the pandemic. While most government agencies in the state went remote and only returned messages left for them, the consumer agency maintained a working line every day to respond to consumers' calls and complaints. Since the volunteers who typically run the hotline were unable to come into work, the job was taken over by staff members, some of whom had never answered the hotline before. They provided information to consumers and assisted them with emergency situations such as improper evictions, loss of internet services, loss of heat, and other urgent problems. Grateful consumers repeatedly told staff members that this was the only state agency taking calls and reaching out to help people.

Numerous consumers who purchased single-family homes in a 55+ senior development in Maryland built by a major national builder complained to the **Montgomery County Office of Consumer Protection** about improperly installed passive radon remediation systems. Third-party inspectors had certified the systems, but the investigation showed that many of the homes had levels of radon which fell within a significantly carcinogenic range as noted by the Environmental Protection Agency. The pipes designed to vent the radon from under the homes were in many cases sealed within the concrete slab beneath them, rendering the systems inoperable. The consumer agency worked with the county's Department of Environmental Protection and Department of Permitting Services to ensure that the issues raised by the complaints were properly addressed. The builder inspected all of the remediation systems, removed the blockages, and reimbursed consumers who had paid out-of-pocket to repair the systems.

### ***Massachusetts***

For the **Massachusetts Attorney General's Office**, the most notable success in 2020 was responding to a truly unprecedented number of complaints related to travel cancellations. Within days of the pandemic causing massive disruptions in travel plans the agency began receiving hundreds of complaints from frustrated consumers. It was quickly able to identify patterns and bad actors, and devise an approach that would help address the scale of the problem through a combination of available resources including

litigation, investigation and mediation, and where appropriate, referral to federal partners. Many of these matters are still pending, but by the end of last year the agency had already recovered more than \$11 million for consumers related to travel cancellations.

The **Consumer Assistance Council** on Cape Cod cited resolving some of the short-term rental refund requests as its biggest achievement last year (see page 25).

### *New Jersey*

The **Monmouth County Division of Consumer Affairs** mediated a few large settlements in 2020. Two automobile complaints were resolved with agreements to replace the vehicles, one valued at \$58,034 and the other at \$24,000. The agency also obtained settlements in some major home improvement cases.

### *New Mexico*

Complaints to the **New Mexico Attorney General's Office** about identity theft increased last year as consumers discovered that fraudulent applications for unemployment assistance had been made using their personal information. Many said they'd been unable to get through on the New Mexico Department of Workforce Solutions (DWS) reporting hotline, which was overwhelmed. The Attorney General worked with the Governor's Office to establish a new protocol through which consumers could report these problems to a special DWS response team via email.

### *New York*

The **New York State Division of Consumer Protection** received multiple complaints about a summer camp in the Hudson Valley. Parents had prepaid \$6,350 to \$11,300 for their children to attend. When they were informed that the camp would not open due to COVID-19, they were also told that no refunds would be made. Instead, the camp offered a 20 percent credit toward future enrollment. The parents tried negotiating with the camp as a group and individually, but they were not able to reach a resolution. The problem, as the consumer agency learned, was that the camp simply didn't have the funds to return, as it had already spent the money on maintaining the facilities and other routine expenses. Fortunately, the camp was able to obtain a small business loan and the consumer agency was able to negotiate an agreement for the parents receive 70 percent of their payments.

As the **New York City Department of Consumer and Worker Protection (DCWP)** began receiving large numbers of price gouging complaints last year, it led the agency to enact an emergency rule, which became an agency priority to enforce. DCWP conducted nearly 3,000 price gouging inspections and issued more than 11,800 violations, with penalties of up to \$500 for each one. The agency also filed eight [cases](#) against repeat price-gouging offenders, seeking more than \$200,000 in civil penalties for more than 400 price-gouging violations.

### *North Carolina*

Among the 23 judgments and settlements the **North Carolina Attorney General's Office** secured in 2020, it won:

- A \$68,000 consent judgment against auto body shop defendants for allegedly using information from police reports to pretend they were from consumers' insurance companies and take possession of their cars until the owners paid fees.
- A \$122,000 judgment against Charlotte-area repairman John Jackson and his companies, banning Jackson from doing appliance repair work in the state after he used multiple names and aliases to charge for appliance repairs that were never made.
- A \$160,000 consent judgment against Auto Houses of Mooresville and Salisbury and its owners that bans the defendants from engaging in motor vehicle dealership businesses in North Carolina for perpetrating motor vehicle scams.
- A \$122,000 consent judgment with George Edward Hall II and his companies for taking money from consumers for construction and home improvement work he never completed.

## *Ohio*

The **Ohio Attorney General's Office** participated in a multistate investigation into the throttling practices of Apple. The investigation revealed that the tech company knew customers were experiencing unexpected iPhone shutdowns as the result of aging batteries that could no longer deliver sufficient power, but would not allow them to replace the iPhone batteries unless the phones failed Apple's own diagnostic tests, which did not always confirm the problem. The investigation led to a lawsuit in last November. It was resolved with a settlement under which Apple agreed to provide consumers with additional information about software updates, iPhone battery health, and power performance. In addition, the company agreed to pay \$113 million to the states, including \$4,305,033.51 to Ohio.

## *Pennsylvania*

The work that the **Bucks County Division of Consumer Protection/Weights & Measures** did to assist with COVID-19 business closure enforcement in the early days of the pandemic last year helped to slow the spread of the virus. This was especially crucial as the state and federal government were busy at that point mobilizing the response to the virus and getting hospitals the personal protective equipment they needed.

## *South Carolina*

The biggest achievement for the **South Carolina Department of Consumer Affairs** in 2020 was stopping Blue Granite Water Company from steeply raising customers' rates for water and sewage service. The agency had intervened on behalf of consumers in the company's request to the state Public Service Commission (PSC) to increase the rates. The PSC adopted the department's testimony and reduced the company's increase by 57 percent. The company appealed that decision, and in the meantime attempted to raise rates by securing a bond that would enable it to make refunds to consumers if its appeal was ultimately unsuccessful. The consumer agency argued that the rate increase should be delayed due to the broad, negative economic impacts of the COVID-19 pandemic. The PSC agreed and issued a directive to stay the increase under the bond.

## Virginia

The **Fairfax County Department of Cable and Consumer Services** cited resolving two auto-related complaints as its biggest achievements last year. In the first, a man bought a new car for \$24,738. Shortly afterwards the navigation system and USB port stopped working. He returned the vehicle to the dealer for repairs, but they weren't made. Frustrated, he demanded his money back plus the cost he incurred to rent a car in the interim. The dealer refused to cancel the purchase agreement unless he signed a blanket waiver of liability, which he was reluctant to do. The Fairfax County Department of Cable and Consumer Services mediated an agreement in which the man signed the waiver and the dealer refunded the full purchase price for the car and reimbursed the man \$656.67 for the rental.

In the second complaint, a man brought the used car he'd purchased for \$21,000 back to the dealer four times to repair a transmission problem. When it still wasn't fixed, he asked the **Fairfax County Department of Cable and Consumer Services** for help. Through mediation the dealer agreed to allow the man to exchange the vehicle for another one of equal value.

## Wisconsin

One of the biggest achievements for the **Wisconsin Department of Agriculture, Trade and Consumer Protection** last year was providing a total of \$185,177.39 in restitution to consumers who ordered personal checks from Direct Checks Unlimited Sales, Inc. and were charged a higher price than they were quoted.

In another major settlement, the **Wisconsin Department of Agriculture, Trade and Consumer Protection** and the state Department of Justice obtained an agreement with Lee Enterprises Inc. and Madison Newspapers Inc. to provide credits or digital access to subscribers to resolve allegations that they sent consumers invoices that gave the impression they were required to renew newspaper subscriptions when they were under no obligation to do so. Consumers also complained that the renewal notices gave misleading information about the length of the subscription.

## Internal Changes

### Arkansas

2020 was a breakthrough year for the Public Protection Department in the **Arkansas Attorney General's Office**. Despite being understaffed and working remotely for most of the year, it handled a much higher workload than usual and produced substantially higher results for consumers and the state than in previous years, due in large part to changes the agency made in processes and organization in 2019.

### California

In immediate response to the COVID-19 pandemic, the **Los Angeles County Department of Consumer and Business Affairs** worked with the county Workforce Development, Aging and Community Services agency and the Los Angeles County Development Authority to launch the [L.A. County Disaster Help Center](#). Its aim was to help business owners, nonprofits, workers, homeowners, landlords, and tenants navigate the impacts of the unprecedented public health emergency. The Help Center has operated daily since March 26, 2020, with live agents who answer calls from county residents about emergency



aid, funding sources, reopening protocols, eviction protections, and rental assistance. The agents also connect individuals to the appropriate resources. In total, the Help Center has managed more than 36,500 calls and 2,600 emails in nine languages to address the needs of the county's diverse population. Its website has received 320,000 page views since its launch.

To address the problem of price gouging during the pandemic, the **Los Angeles County Department of Consumer and Business Affairs** collaborated with a private technology firm to develop an online and mobile system for county residents to report suspected violations. The location-based price-gouging app, available at [stoppricegouging.dcba.lacounty.gov](https://stoppricegouging.dcba.lacounty.gov), also provides convenient back-end programming that enables the consumer agency to promptly follow up on complaints. In addition, the consumer agency used much of the technology from the price-gouging app to help the county's Register-Recorder's Office develop a system for individuals to report suspected phony or damaged election drop boxes in advance of the November elections.

One more noteworthy internal improvement the **Los Angeles County Department of Consumer and Business Affairs** made last year was the launch of [Financial Navigators LA County](#). This program, developed nationally by Cities for Financial Empowerment and operated by the consumer agency's Center for Financial Empowerment, helps residents deal with the financial impact of the COVID-19 pandemic. It provides remote assistance in navigating critical financial issues and referrals to other social services and resources. Trained Financial Navigators also provide structured guidance by phone to help people deal with financial issues.

Last year the **San Francisco District Attorney's Office** launched an online complaint form that consumers can fill out and submit electronically. This proved especially helpful when the pandemic struck, with staff forced to work remotely and unable to pick up mailed complaints or directly answer phone calls.

### **Connecticut**

The **Connecticut Department of Consumer Protection** developed and launched a virtual Chat Bot, which is available on its website, to help guide consumers to the appropriate department within the agency for answers to their questions. For consumers who wish to file complaints, the Chat Bot can direct them to the online system or connect them directly with a member of the complaint center staff. People with questions about business licenses can be connected by the Chat Bot to a member of the License Services Division, etc. This was a significant addition to the agency's toolbox, especially in the pandemic, and has helped reduce the number of phone calls the agency receives by more efficiently directing consumers to the information they need.

### **District of Columbia**

Staff at the **District of Columbia Attorney's General's Office** were provided with laptops and cell phones to help them perform their daily duties at home, since the pandemic forced the agency to close its office. Because of an increase in consumer complaints, volunteers were recruited from other sections of the office to help. In the midst of all of this, the agency successfully moved to a new physical location, which had been planned before the pandemic.

## *Florida*

Because of a hiring freeze and having to transition to remote work last year, the **Florida Department of Agriculture and Consumer Services** made changes to staff assignments. This enabled the agency to maintain a manageable workload for staff members, operate efficiently, and provide good customer service. It also allowed staff to work on a variety of issue areas and learn new skills.

As a result of COVID-19 protocols, the building housing the **Broward County Consumer and Environmental Division** was closed to the public, but drop boxes were placed outside to enable the agency to receive hard-copy documents. The number of staff allowed to work in the building was limited, so teleworking was implemented to ensure that the agency could continue “normal” business operations during the pandemic.

The **Hillsborough County Department of Consumer & Veterans Services** had already planned to go paperless in early 2020 to increase its efficiency. This change enabled it to smoothly transition to remote operations during the COVID-19 pandemic. The agency continued stellar customer service during the changes and challenges encountered.

To provide its investigators and managers with an opportunity for growth, help maintain and develop staff, keep staff motivated, and improve standards, **Pinellas County Consumer Protection** implemented a “Career Ladder” program last year. Another major achievement was shifting to remote work due to COVID-19, which required establishing new communication processes and balancing key priorities as staff continued to handle complaints while taking on new roles and responsibilities related to the pandemic. The agency used online meeting platforms, including Zoom and Microsoft TEAMS, for interviews, mediation, and public outreach.

## *Maryland*

Due to the pandemic, the **Maryland Attorney General’s Office** went to remote work with only a minimal amount of staff coming into the office on a limited basis. This dramatically affected its operations, in part because its complaint unit relies on volunteers to conduct many of the mediations it conducts, but the volunteers could not go into the office or be provided with phones and computers to work from home. Dealing with the backlog of work created by this situation while maintaining its consumer hotline was a major achievement for the agency.

The pandemic forced the **Montgomery County Office of Consumer Protection** in Maryland to quickly pivot to a fully telework approach to investigations, enforcement, regulatory compliance and operations. The agency introduced new technology (hardware and software) to help investigators transition to this new way of working.

## *Massachusetts*

Last year the **Massachusetts Attorney General’s Office** launched a new division called the Information Services Center which consolidated several existing hotlines, including its consumer hotline, into a single specialized inbound call center. The call center was provided with updated software designed to help staff better answer consumers’ questions. The new system also allows the agency to better track call volumes and response times and enabled it to expand the hours of operation for the consumer hotline.

While these changes were already well underway prior to the public health emergency, they proved instrumental in helping the agency quickly shift to operating the call center remotely.

The **Cambridge Consumers' Council** made a quick and successful transition to working remotely due to the pandemic. The agency had to shut down for a short time but was able to regroup and return to assisting consumers from home offices.

Since the **Consumer Assistance Council** relies largely on volunteers to field consumers' questions and mediate complaints, the pandemic created special challenges. All incoming calls were forwarded to one volunteer who graciously stepped in to answer the hotline and provide advice to consumers. This allowed the other volunteers to increase their caseloads in order to address the massive influx of new complaints the agency was receiving. Smaller numbers of volunteers than usual were admitted to the building on a rotating basis, and the agency followed health guidelines for distancing and cleaning to keep everyone safe.

### *New Jersey*

Staff at the **Hudson County Office of Consumer Protection** were set up with laptops and scanners to work remotely. Cases were electronically entered into the agency's databases and the files were accessible to staff members using shared drives and cloud network storage, which helped make the transition more seamless.

The **Monmouth County Division of Consumer Affairs** made a small change to its online complaint forms that made a big difference: it added a space for consumers to put their email addresses, which greatly facilitated communications, especially in the pandemic.

### *New Mexico*

Adjustments were made to the call center at the **New Mexico Attorney General's Office** to enable it to continue to receive calls and provide assistance to consumers during the pandemic.

### *New York*

In response to the Governor's orders, the **New York State Division of Consumer Protection** reduced its in-office density to protect its staff from the spread of COVID-19. Nonetheless, the agency not only continued to operate daily, it expanded its Consumer Helpline hours of 8:30 a.m. to 4:30 p.m., Monday to Friday, to 8:30 a.m. to 8:30 p.m. seven days a week. The extended Helpline hours were in place from March 7<sup>th</sup> to August 19<sup>th</sup> last year. The agency also hired two temporary staffers to support the Consumer Assistance Program, which saw its volume of complaints and overall workload triple in 2020. Despite enduring their own personal pandemic stressors and hardships, staff members provided continuous support, impassioned advocacy, and critical services to New Yorkers.

Inspectors for the **New York City Department of Consumer and Worker Protection** began using handheld devices last year to record and issue violations in the field. In addition to improving customer service for businesses, this made the agency's enforcement of local consumer protection laws more efficient and consistent.

## *North Carolina*

Because of the rise in robocalls and concerns around victimization of older people, the **North Carolina Attorney General's Office** launched two initiatives: [Operation Silver Shield](#) and the [Robo-Report Task Force](#). Operation Silver Shield is a department-wide effort to confront scammers who target older North Carolinians through consumer protection and education, Medicaid investigations, and robocall enforcement actions. Because so many scams originate through robocalls, the Robocall Report Task Force was created to enable consumers to report robocallers through a dedicated web [form](#) and a special hotline (1-844-8-NO-ROBO). While those behind robocalls and illegal telemarketing calls can be hard to track down and stop, the information from consumers helps the agency identify patterns, warn consumers about scams, and work with state and federal partners to identify technological solutions.

## *Ohio*

The **Cuyahoga County Department of Consumer Affairs** has limited resources, but last year it was able to work with the county's Fiscal and IT Departments to create a low-cost scam reporting line for Spanish-speaking residents. The IT Department devised a system that delivers voicemails from consumers as sound files to the agency's email inbox. These files are forwarded to Spanish-speaking staff in the Fiscal Department, who email translations back to investigators at the consumer agency. Three-way calls are then held with the consumers. This low-cost solution has helped the agency serve the Spanish-speaking community more effectively.

## *South Carolina*

The **South Carolina Department of Consumer Affairs** continued to add more filings to its online licensing database last year; only two more programs remained to be added at the end of 2020. This system benefits the agency and the businesses in the 15 industries it regulates, allowing for faster processing times, decreased filing errors and 24/7 access to the information.

## *Tennessee*

Like many other agencies, the Division of Consumer Affairs within the **Tennessee Attorney General's Office** transitioned to working from home due to the pandemic. The staff has had previous experience with this during other emergency situations, so the transition was quite smooth. Consumers and businesses who had access to email were encouraged to use that method of contact so that the agency could respond quickly to consumer complaints. Incoming and outgoing mail were handled by staff members who went into the office strictly for that purpose.

## *Virginia*

To provide services and resources to consumers after its staff began teleworking last March, the **Fairfax County Department of Cable and Consumer Services** staff had to change its operations. Calls from consumers were routed to the front desk administrative assistant from 8:00 a.m. to 4:30 p.m. That person then emailed the information from the consumers to the "Consumer Specialist of the Day" to follow up with them. Complaints received online were processed and emailed to the businesses if their email addresses were provided or could be found; if not, the complaints were mailed to them. The Director of the Consumer Services scanned written complaints, responses, and documents so they could

be emailed to staff members. In-person meetings were halted due to restrictions placed by the Governor.

## Public Outreach

### *Arkansas*

The **Arkansas Attorney General's Office** used online platforms such as Zoom and WebEx to make educational presentations that would normally be conducted in person.

### *California*

In January 2020, the **Los Angeles Department of Consumer and Business Affairs** opened the East Los Angeles Entrepreneur Center, a new office location in the heart of East Los Angeles. Its aim is to assist people who want to open small businesses in the unincorporated areas of the County. Services shifted to virtual methods during the COVID-19 emergency. Starting in the second half of 2020, the agency was part of a LA County/LA City initiative to assist area small businesses, nonprofits, and entrepreneurs. The LA COVID-19 Regional Recovery Fund provided upwards of \$100 million of grants and loans to eligible businesses.

In September 2020, the Los Angeles County Board of Supervisors launched [Stay Housed L.A.](#), a partnership among community organizations, legal service providers, the **Los Angeles County Department of Consumer and Business Affairs**, and the City of Los Angeles Housing and Community Investment Department that provides Los Angeles County renters with information about their rights as tenants and legal assistance to eligible tenants to help prevent evictions and keep people in their homes. The consumer agency co-developed and funds the program, contracts with the legal aid and community-based organizations that deliver the services, and serves as the program administrator, overseeing all aspects of its implementation.

To address the needs of the community during the pandemic, the **San Francisco District Attorney's Office** initiated a new Community Liaisons program. It created teams of staff from the agency and representatives of each district in the city to respond to issues that are identified and serve as direct liaisons between constituents and the District Attorney's Office. It is also a way for the agency to promote consumer education and make residents aware of the services it provides.

### *Connecticut*

The **Connecticut Department of Consumer Protection** continued its outreach and education in 2020, particularly focusing on underserved populations and those most impacted by the pandemic. Among those efforts, it played a key role in the development of a financial literacy portal for the State of Connecticut, increased its presence on social media and in statewide ethnic media, and improved collaboration with other state agencies and with nonprofit organizations to amplify its educational messages and reach those most vulnerable to pandemic-related scams.

## *District of Columbia*

Using media interviews, press releases and blogs, the **District of Columbia Attorney General's Office** kept the public informed with consumer alerts and tips about Phantom Debt Collection, Tenant Protections, Deceptive Nursing Home Billing, Utility Scams, COVID Related Charity Scams, Security Tips for Safe Video Chats, Tax Scams, COVID Relief Payment Scams, Debt Collection, and Funeral Home Protections. The agency issued a COVID-19 Consumer Complaint Report in May 2020 detailing the amount and types of complaints being processed during the pandemic as well as a Consumer Complaint Report in March 2021 that summarized all complaints received in 2020.

## *Florida*

The pandemic forced the **Broward County Environmental and Consumer Protection Division** to suspend its in-person public outreach. In its place, the agency created a dedicated section of its website which features answers to the questions that were most commonly asked during in-person events.

The **Hillsborough County Department of Consumer & Veterans Services** adapted the presentations it previously made at in-person events to use on Zoom, enabling it to provide information in a new and entertaining way.

When Pinellas County in Florida enacted a human trafficking public awareness sign ordinance in 2016, **Pinellas County Consumer Protection** was tasked with enforcing it. The ordinance is intended to alert employees and the public about the existence of human trafficking and the remedies and protections that are available. The signs must be conspicuously displayed at certain business locations and readily visible to the public and employees. In 2020, the consumer agency joined a newly-formed regional human trafficking task force, a collaboration among local, state, and federal law enforcement agencies working with organizations that provide services to human trafficking victims in the area. It focuses on three areas:

- Education – providing education and training to law enforcement as well as the public to build awareness.
- Rescue – coordinating with support programs and resources to help victims.
- Enforcement – implementing technology to make it easier to collect and share data across jurisdictions.

## *Maryland*

Last year the **Montgomery County Office of Consumer Protection** fully unveiled its webinar platform as a method of outreach during 2020. This was in part to make programming available to those who could not attend in-person programs, but the webinars served the agency well when social distancing was required due to the pandemic. Working with partner agencies, the consumer agency recorded programs on senior scams, pandemic scams, census scams, credit and debt collection, peer-to-peer payment apps, and cybersecurity. These programs are available on the agency's YouTube channel, @ConsumerWise.

## Massachusetts

Though the emergency public health restrictions posed a significant challenge to community engagement in 2020, the **Massachusetts Attorney General's Office** was determined to stay in touch with the community and respond quickly to developments unfolding as result of the pandemic. To that end, it doubled down on engagement efforts and reaching out to communities impacted by COVID-19. Some examples include:

- Launching the FrontlineMA.org website to provide resources for health care workers and first responders, create a space to lift up their stories from the frontlines, and send our thanks.
- Creating a new online assistance page for small businesses, including information on available grants and loans, guidance on insurance coverage, rent abatements, options to cut expenses, mortgage relief, and access to free legal assistance.
- Connecting with community organizations, faith-based groups, neighborhood associations, food pantries and municipalities heavily impacted by COVID-19 to help distribute know-your-rights materials advising consumers of important protections during the pandemic, including protections related to eviction, foreclosure, debt collection, utility shut off, price gouging, discrimination, and access to health care.
- Publishing resources in five languages promoting services available to victims of domestic violence.
- Issuing a consumer alert to address questions from consumers about the use of prepaid Visa Debit Cards for distribution of stimulus funds.
- Publishing a know-your-rights guide in English and Spanish to educate tenants, landlords, and those in the real estate industry on their rights and obligations under state and federal fair housing laws.
- Issuing an advisory to raise awareness of help available for consumers struggling to pay home heating bills as the winter began.
- Releasing a report, “Building Toward Racial Justice and Equity in Health: A Call to Action,” with a virtual event featuring reflections from health care workers on the front lines of the pandemic.
- In addition to these initiatives, the agency’s Community Engagement Division hosted webinars, often three to five per week, on topics such as consumer rights, preventing identity theft, landlord-tenant rights and responsibilities, workers’ rights, teen worker rights, unauthorized practice of immigration law, and many other topics.

Despite the pandemic, the **Cambridge Consumers’ Council** held its yearly public “Shred Day” last fall. In this event, a shredding company hired by the consumer agency sets up outside of City Hall and shreds documents that residents bring for safe disposal – this time at an acceptable social distance. Promoted by flyers, social media, and email, it’s a popular event and a great opportunity to provide information to consumers about security. Before COVID-19 hit, the agency partnered with the Cambridge Police Department and the local Senior Center to present tips to consumers about how to protect themselves from fraud.



The **Consumer Assistance Council** partnered with "COASTAL CONNECTIONS," a loosely-based collaboration among most of the Councils of Aging in the Cape Cod region, to provide consumer education presentations to seniors through Zoom.

### *New Jersey*

To serve its diverse community, the **Hudson County Office of Consumer Protection** developed outreach materials available in eight languages. Staff appeared on a local podcast show and are now filming a commercial about the agency and the services it provides.

Prior to the pandemic, the Director of the **Monmouth County Division of Consumer Affairs** was conducting almost two presentations a week, every week, to seniors, community groups, high schools, and colleges. The quarantine canceled dozens of these planned events, and the agency transitioned to conferences by phone and Zoom meetings, using the public library's Zoom set up.

### *New Mexico*

Due to the pandemic the **New Mexico Attorney General's Office** switched its community outreach efforts last year from in-person to online. Because of concerns about an increase in crimes against children on the internet as schools moved to online learning, the agency conducted 20 virtual presentations to schools throughout the state on cyber safety and cyberbullying. The agency also presented this information in meetings organized by the state Public Education Department's Safe and Healthy Schools Virtual meetings and at the New Mexico Digital Learning Conference to help encourage positive digital citizenship in schools.

### *New York*

The **New York State Division of Consumer Protection** shifted its live presentations to virtual webinars to keep New Yorkers informed and safe. The Outreach and Education team quickly learned how to use online platforms and began presenting remotely. The agency also developed new COVID-19 Scam Prevention programming to educate the public and prevent pandemic-related fraud. In addition, it reinvigorated its social media strategy and focus. The agency now delivers continuous content to inform consumers of the latest scams and frauds, provides tips to protect consumers in the marketplace, shares information on the latest recalls, and disseminates other important consumer information.

As a result of the pandemic, the **New York City Department of Consumer and Worker Protection (DCWP)** transitioned from in-person outreach to virtual outreach to share important resources and information related to COVID-19, such as workplace laws, consumer protection tips, and financial resources, with consumers, workers, and businesses. These events included virtual town halls, webinars, roundtables, and press interviews. The consumer agency also began sending out weekly COVID-19 email blasts to over 1,400 community partners, including community and faith-based organizations, elected officials, community boards, and business contacts, containing resources and information. In the summer of 2020, DCWP resumed in-person outreach and conducted 33 Business Education Days, during which its outreach team visited 2,089 businesses in partnership with local Business Improvement Districts to educate workers and businesses on the state's reopening guidelines and requirements and on the rights of employees as they returned to the workplace. In addition, the consumer agency created

a hub of COVID-19 resources at [nyc.gov/DCWPAlerts](https://nyc.gov/DCWPAlerts), which includes information in the ten most commonly spoken languages in New York City about everything from business reopening, workplace rights, licensing updates, financial resources like tax prep, financial counseling, stimulus payments, students loans, and funeral home consumer tips.

The **New York City Department of Consumer and Worker Protection** also launched a citywide, multilingual public awareness [campaign](#) to alert New Yorkers that they can receive free, confidential financial counseling over the phone. The campaign informed New Yorkers that NYC Financial Empowerment Center counselors can help them manage debt, deal with sudden changes to income, open a bank account, set up direct deposit, communicate with their creditors if they are experiencing financial hardships, and more.

## **Ohio**

The Education Unit in the **Ohio Attorney General's Office** created four new publications and videos about pandemic-related scams. In addition, its Elder Justice Unit, Housed in the Consumer Protection Section, worked with other units within the agency such as Crime Victim Services to help people involved in law enforcement, social services, adult protective services, and financial services learn about elder abuse and financial exploitation and how to combat it.

A few months into the pandemic, the **Cuyahoga County Department of Consumer Affairs** in Ohio and its “Scam Squad” partners started getting reports of bogus coronavirus “cures” and job scams. At the time, the county was mainly reaching residents through its website and social media feeds. Many lower-income and older residents in the county do not have reliable internet access, however, or aren’t comfortable accessing information online. To reach them, the consumer agency created a “Protect Yourself from Coronavirus Scams” flier alerting residents to health and stimulus scams, fraudulent job offers, and why it’s important to avoid requests for payment by gift cards, money wires, or Bitcoin. The flier provides the websites and phone numbers for agencies where consumers can receive trustworthy health information, connect with job opportunities and nonprofit assistance, and report scams. The flier was posted online, but by the end of last year the agency was able to distribute 59,000 in print form, in English and Spanish, to food banks, libraries, hospitals, city halls and social service partners that distribute food or services to older or lower-income residents. One councilwoman personally delivered 6,000 fliers to the city of Cleveland to be distributed in door-to-door campaigns for the census and to connect schoolkids with computers for remote learning. Additionally, the consumer agency sent a [link](#) to the flier to mayors and city managers, many of whom included it in their newsletters to residents. While print is old school, it was an effective way to reach vulnerable residents who were under quarantine.

## **Pennsylvania**

**Bucks County Consumer Protection/Weights & Measures** in Pennsylvania organized its first virtual “Bucks County Senior Expo” in 2020 in partnership with seniors’ organizations. Several municipalities throughout the county recorded and live-streamed the event. Since then, these segments have been running on a regular basis on local channels and social media. The consumer agency plans to use this new form of outreach even after the pandemic ends.

## *South Carolina*

With COVID-19 dominating the headlines and lives of consumers last year, the **South Carolina Department of Consumer Affairs** focused on arming them with the knowledge they needed to protect their personal information and money during the unprecedented health emergency. The agency issued several publications, including [COVID-19 Spotlight: How to Spot a Scammer](#), which won a South Carolina State Library 2020 Notable State Document Award. It also leveraged its virtual presentation software and ramped up its online presentations to continue spreading consumer information.

## *Tennessee*

Like most agencies, the Division of Consumer Affairs within the **Tennessee Attorney General's Office** shifted its outreach to virtual due to the pandemic. It put specific focus on trying to educate its partners who work with vulnerable populations. For example, the agency conducted scam prevention presentations via Zoom to staff with Tennessee's Adult Protective Services and other social service providers. It also worked with the cities of Memphis and Chattanooga to educate staff of their consumer financial protection committees on Tennessee consumer issues and trending scams.

## *Virginia*

In early March 2020, the **Fairfax County Department of Cable and Consumer Services** began posting coronavirus-related consumer advice on social media. The consumer agency continues to have a strong social media presence, posting over 100 consumer advice posts about COVID-19, scams, price gouging, evictions, utility providers, and more. In addition, agency staff wrote several articles for the Fairfax County Emergency Information Blog on those topics, participated in virtual consumer outreach events, and produced a special edition of the television show, "Your Community, You're Connected," to provide resources to homeowner and community associations on how to navigate electronic meetings and other issues. The agency restructured PowerPoint presentations it typically used in in-person presentations to work on platforms such as Microsoft Teams, Blackboard Collaborate Ultra, and Zoom.

## *Wisconsin*

In an effort to increase access to consumer protection information and tips for young adults, the **Wisconsin Department of Agriculture, Trade and Consumer Protection** launched a new program: Consumer Protection 101 (CP101.) Designed as an introduction to important consumer topics that affect young adults and college students, CP101 delivers engaging content using video micro-lessons posted to YouTube and social media channels. Through videos, social media posts, and content on the [CP101 webpage](#), the consumer agency shares information and tips to help young adults safely navigate many important consumer protection topics and protect themselves from unfair practices and fraud in the marketplace.

The **Wisconsin Department of Agriculture, Trade and Consumer Protection** also released a [report](#) on the findings of its Data Privacy and Security Advisory Committee last year. The Committee, which included representatives from government, education, consumer groups, and a variety of business sectors, convened to evaluate the existing state of data privacy and security regulation in Wisconsin and its impact on consumers. Over the course of nine months, the Committee listened to presentations by several data privacy and security experts, received public comments, participated in large and small

group activities and discussions, and conducted independent research and study. The Committee's work revealed the differences that exist between desired approaches by industry, regulators, and consumers. In its report, the Committee details important information on the current legislative landscape, consumer needs, and regulatory challenges. The report is designed to serve not as a mandate or directive, but as a tool to assist and support lawmakers, regulators, businesses, and all those interested in efforts to improve Wisconsin's data privacy and security.

One more outreach achievement noted by the **Wisconsin Department of Agriculture, Trade and Consumer Protection** was the opening of an office in Milwaukee. Staff there will provide information and education on consumer protection laws, participate in community events, assist in outreach to area businesses to try and resolve consumer concerns, undertake investigations and enforcement actions related to fraud and deceptive business practices, assist consumers in finding identity theft resources, and provide free presentations to the public via webinars, workshops, conferences, and stand-alone events.

## Methodology

This report is based on a survey of state and local consumer agencies. These agencies handle a wide range of consumer issues, and this report is intended to provide insight into the complaints that consumers made to them in 2020. CFA did not survey federal agencies or agencies that only deal with one issue, such as securities or insurance, nor did it conduct a random survey of consumers. Therefore, this report does not purport to measure all of the problems that consumers encountered in the marketplace last year. The survey was conducted from February through March, 2021 and covers a one-year period, in most cases January through December 2020 (some agencies keep records on a different basis, such as July through June; all were asked for data for the most recent 12-month period available).

Thirty-four agencies from 18 states across the country participated in the survey. Of those, 15 are state agencies, including the District of Columbia; 15 are county; 2 are city; one, San Francisco, is both a city and a county; and the Consumer Assistance Council covers a region within Massachusetts. All are government agencies except for the Consumer Assistance Council, which is a nonprofit organization that receives state funding to handle complaints and educate the public.

CFA asked agencies for their top ten complaints, worst complaints, fastest-growing complaints, and new types of problems consumers reported during the survey period. Since there is no uniform set of complaint categories that all agencies use, we grouped their responses under general subject headings as necessary. This year we added a question about the pandemic-related complaints agencies received and created a new section for their responses.

CFA also asked what new consumer protections had been enacted in agencies' jurisdictions last year. Finally, CFA asked the agencies to describe their greatest achievements in 2020 in the areas of resolving consumer problems or issues, making internal improvements, and undertaking new public outreach efforts.

The total number of complaints these agencies received last year does not include requests for advice or information. Furthermore, the number of consumers who benefitted from agencies' enforcement actions is often higher than the number of complaints they received. Similarly, the total amount of money recovered and saved for consumers is understated because some agencies only provide us with the figures that result from mediation, some only provide the amounts of restitution or billing adjustments that resulted from enforcement actions, some combine both, and some include the results of administrative actions, arbitration and guaranty funds. Additionally, these statistics do not include the amounts of money that people avoided losing because of the advice these agencies provided or the savings to courts and businesses due to their informal complaint resolution efforts.

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

## Appendix A

### Agencies Participating in the 2020 CFA Consumer Complaint Survey

#### **Arkansas**

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

#### **California**

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

San Francisco District Attorney's Office  
<https://sfdistrictattorney.org>

#### **Connecticut**

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

#### **District of Columbia**

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

#### **Florida**

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

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

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

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

#### **Georgia**

Georgia Attorney General's Consumer Protection Division  
[www.consumer.ga.gov](http://www.consumer.ga.gov)

#### **Maryland**

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

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

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

#### **Massachusetts**

Cambridge Consumers' Council  
<https://www.cambridgema.gov/Departments/ConsumersCouncil>

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

Massachusetts Attorney General's Office  
<https://www.mass.gov/get-consumer-support>

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

#### **New Mexico**

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

#### **New Jersey**

Cumberland County Office of Consumer Affairs  
<http://www.co.cumberland.nj.us/consumeraffairs>

Hudson County Office of Consumer Protection  
<http://www.hudsoncountynj.org/>

Middlesex County Office of Consumer Affairs  
[http://www.middlesexcountynj.gov/Government/Departments/PSH/Pages/Office\\_Inspections.aspx](http://www.middlesexcountynj.gov/Government/Departments/PSH/Pages/Office_Inspections.aspx)

Monmouth County Division of Consumer Affairs  
<https://www.co.monmouth.nj.us/page.aspx?ID=4912>

Ocean County Department of Consumer Affairs,  
Weights & Measures  
<https://www.co.ocean.nj.us/oc/ConsumerAffairs/>

#### **New York**

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

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

#### **North Carolina**

North Carolina Attorney General's Office  
<http://ncdoj.gov/Consumer>

#### **Ohio**

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

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

#### **Pennsylvania**

Bucks County Consumer Protection/Weights &  
Measures  
[www.BucksCounty.org/ConsumerProtection](http://www.BucksCounty.org/ConsumerProtection)

#### **South Carolina**

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

#### **Tennessee**

Tennessee Attorney General's Office  
[www.tn.gov/consumer](http://www.tn.gov/consumer)

#### **Virginia**

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

Virginia Attorney General's Office  
<https://www.oag.state.va.us/>

#### **Wisconsin**

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



## Appendix B

### Tips from the 2020 CFA Consumer Complaint Survey Report

#### Auto

*If you're considering buying a car, shop around and don't commit to anything until you have read the contract and the finance agreement carefully to make sure you know the terms and cost of the deal. Don't be rushed or pressured, ask questions, and if there is anything you still don't understand, show the paperwork to someone you trust before you sign. When you buy a new car, state law protects you if there are problems that substantially affect your ability to use it, but not all problems make a new car a "lemon." Ask your state or local consumer agency about your lemon law rights.*

*At [http://www.ialla.net/law\\_contacts.htm](http://www.ialla.net/law_contacts.htm) the International Association of Lemon Law Administrators provides information about how to reach the government agency that oversees the new car lemon law in your state. It also offers tips for consumers on issues such as how to prepare for lemon law arbitration hearings.*

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

*Only do business with auto repair shops that you know and trust or that have good reputations based on other people's experiences. Be sure to get an itemized receipt for the work. If you have any doubts about the diagnosis of your car's problem, bring it to another shop for a second opinion.*

*If you're considering buying an RV or any other type of vehicle, get any promises the dealer makes in writing in case there are questions later about the terms of the deal, such as whether your deposit will be refunded if the financing falls through.*

*Don't do business with car dealers or auto mechanics who are operating in parking lots or other locations that are not their regular places of business. They may not be licensed or in compliance with other legal requirements that apply to them, and they could be hard to find if you have problems later.*

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

*Purchasing a car “as is” doesn’t always mean that you’re out of luck if something goes wrong. You may be able to hold the dealer responsible. But the best way to protect yourself is to have the car checked out by a mechanic you trust before buying it to look for problems that might not be obvious to you. Buying a used car long-distance is especially risky since you may not be able to test drive it or have a mechanic examine it before you pay, and shipping it back if it’s not satisfactory could be expensive.*

*Auto repairs may take longer than expected because the shop has trouble getting the right parts or the mechanic discovers that additional work is needed. Keep in touch with the shop and make notes about the dates of each conversation, who you talked to, and what was said. Don’t pay before the work is done. If you think that you’re being strung along, ask your state or local consumer agency for help.*

*New car defects can be more than inconvenient –they can be dangerous. Contact the National Highway Traffic Safety Administration at [www.nhtsa.gov](http://www.nhtsa.gov) or by calling 800-424-9153 to get information about auto recalls, check for complaints from other individuals about the same problem, and report safety defects. If there are problems with your new car that substantially affect your ability to use it, ask your state or local consumer agency about your lemon law rights.*

*Review the auto sales contract carefully before signing. If there is something in it that doesn’t match what is on the vehicle or what the salesperson told you, beware! You may want to steer clear of the deal.*

*Just as with buying a car, it’s a good idea to research the make and model of the boat you’re considering as well as the reputation of the dealer. Check online boat reviews and sources of complaint information such as the Better Business Bureau, <https://www.bbb.org/>. If there are any problems after the sale, keep records of what they are, when you contacted the dealer, how long the boat was in the repair shop, and what repairs were made. Contact the manufacturer if the problems persist.*

## **Business Services**

*Buying equipment for your business? Ask potential suppliers if they have experience with providing machinery for the specific work you’ll be doing. Be sure that the bill of sale includes a description of what the equipment is intended to be used for in case there are any issues later about its suitability for the job.*

*When you agree to provide services for a company, there should be a written contract that clearly spells out the terms, including how you will be paid and the grounds for termination. Not all state or local consumer agencies handle business-to-business disputes, but they may at least be able to provide advice.*

*You have a great idea for a new product or service, but how do you get started? There are many companies that promise to evaluate, develop and market people's inventions, but they may be more interested in getting your money than in promoting your idea. A legitimate invention promoter will tell you how many inventions it has evaluated, how many of those inventions got positive or negative evaluations, its total number of customers, how many of those customers received a net profit from the promoter's services, and how many of those customers have licensed their inventions due to the promoter's service. And it will get paid through royalties if your invention is a success, not by charging you a large fee in advance. For more information about how to protect yourself go to <https://www.consumer.ftc.gov/articles/0184-invention-promotion-firms>.*

## **Communications**

*Problems with the quality of your internet service? Speak up! Keep notes of when outages or other service problems occurred, who you spoke to at the company and on what dates, and what they said. If you don't get satisfaction, contact your state or local consumer agency for advice. In addition to getting the problem fixed, you may be entitled to a bill adjustment.*

*If you're going away for an extended period of time, you may want to make special payment arrangements with your telephone and utility suppliers. Keep a record of when you contacted them, the names of the people you dealt with, and the specific terms of the agreement. Ask them to send confirmation of the arrangement in case there are any questions or problems when you return.*

*Check your phone bill carefully before paying it in case there are any mistakes or unauthorized charges. If you have a billing problem and can't resolve it, ask your state or local consumer protection for help.*

*The Federal Communications Commission is working to rein in excessive rates and egregious fees on phone calls from jails and prisons. For information about caps on allowable calling rates and fees go to <https://www.fcc.gov/consumers/guides/telephone-service-incarcerated-individuals>.*

## **Credit/Debt**

*When you're financing a purchase through a retail store for furniture, appliances, or other expensive items, take the time to carefully read the agreement before signing, no matter whether it's a document on paper or on a computer. Don't be pressured, and ask questions if anything is not clear. Some financing arrangements can add significantly to the cost of the merchandise. You might want to consider other options, such as lay-away. For more information go to <https://www.consumer.ftc.gov/articles/rent-own-lease-own-layaway-and-buying-over-time>.*

The Consumer Financial Protection Bureau offers information about how to calculate the amount you can afford to borrow to buy a car, the different ways that you can finance the loan, and what your lending rights are. See <https://www.consumerfinance.gov/consumer-tools/auto-loans/>.

Debt mix-ups can happen when people have the same names, account numbers are entered incorrectly, or other mistakes occur. If you're contacted about a debt you don't believe you owe, don't ignore it! Your credit could be damaged and you may be sued. Contact your state or local consumer agency for advice. For more information about debt collection go to <https://www.consumerfinance.gov/consumer-tools/debt-collection/>.

Reverse mortgages typically require homeowners to keep their payments for property taxes and insurance current. Failure to do so can lead to foreclosure. As part of the loan agreement, the mortgage servicer may automatically withdraw money from your bank account to make those payments for you. If you have such an arrangement, check with the tax collector and your insurance company to confirm that the payments were made when they were due. For information about reverse mortgages go to <https://www.consumerfinance.gov/consumer-tools/reverse-mortgages/>.

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

There are many ways to finance higher education. Unfortunately, some for-profit schools exploit students by pushing them into high-cost loans they may not be able to afford. Learn about student loans and how to avoid the pitfalls at <https://www.consumerfinance.gov/consumer-tools/student-loans/>.

Payday loans are very expensive and can trap you in a never ending cycle of debt. Even worse is being dunned for a payday loan that you never took out. You have the right to dispute a debt you do not owe. See <https://www.consumerfinance.gov/consumer-tools/debt-collection/>. New rules from the Consumer Financial Protection Bureau about the frequency of debt collection calls may be coming soon.

## **Employment**

Workers are legally entitled to get the wages they are owed. If you believe that you are being shortchanged by your employer, don't be afraid to stand up for your rights.

Whether you are an employee or a contractor, you are entitled to be paid for the work you do. Ask your state or local consumer agency where to go for help.

## Fraud

*Common danger signs of fraud include: promises of sudden riches with no work or risk; unexpected demands for money to avoid something bad happening; popular items offered online at incredibly low prices; and requests to send payment for something using a money transfer service or gift cards. Protect yourself by checking with your state or local consumer agency before you take the bait.*

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

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

*No one from Medicare will ever call asking for your Medicare number or other personal information unless you've given them permission in advance, call to try to sell you something, enroll you in anything over the phone unless you called first, or visit your home. Learn more and report Medicare fraud at <https://www.medicare.gov/forms-help-resources/help-fight-medicare-fraud>.*

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

*Swindlers sometimes impersonate celebrities or even create totally fictitious ones to lure people into sending them money, and social media platforms enable them to reach millions of potential victims all over the world. Search online for the name the person is using plus "scam" to see if anything pops up.*

*Tech support scammers use pop-ups and other forms of online ads, and also solicit victims by phone and email. Often pretending to be from well-known companies, they ask for money but don't do any work. They may claim that there is a problem with your computer when there isn't, and even worse, they may cause a problem with your computer and then demand money to fix it. If you need computer help, find a local vendor. Never let anyone who contacts you out of the blue have access to your computer. If while browsing on the internet, you receive a pop-up*

window warning you that your computer is infected or there is an “error” and you must call a number or click a link for tech support help, press Control+Alt+Delete, and use the Task Manager to close out the pop-up window. Do not click a link, call the number listed or attempt to use the “X” in the corner to close the pop-up. Learn about the “tech support scam” at <https://www.consumer.ftc.gov/articles/0346-tech-support-scams>.

Telephone companies are working on ways to block unwanted robocalls and stop fraudulent Caller ID spoofing. Ask your landline and/or wireless phone service provider what tools are available to you. For more information go to <https://www.fcc.gov/consumers/guides/stop-unwanted-robocalls-and-texts>.

Online shopping sites such as Amazon don’t contact people to tell them a big order has just been placed using their credit cards and ask them to call if they didn’t make the purchase. This is just another type of “phishing scam” designed to scare people into providing their passwords, credit card numbers and other sensitive information. See <https://www.consumer.ftc.gov/blog/2020/07/hang-business-imposter-scams>.

If you get a robocall from someone to whom you did not give permission to make those kinds of calls to you, don’t press certain digits on the keypad or call a number that’s provided. You’d just be confirming your number to a scammer.

Does the price seem too good to be true? That’s because it’s a scam. Never send money to individuals through websites that don’t provide buyer protection.

## **Health Products/Services**

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

If you suspect there is a problem with a medical product, ask your state or local consumer agency where to report it.

Should you pay to subscribe to a service for help obtaining low-cost or free drugs from pharmaceutical companies’ patient assistance programs? Compare the monthly fee to the actual savings you might get. You can find the drug makers’ patient assistance programs yourself using Medicare’s directory at <https://www.medicare.gov/plan-compare/#/pharmaceutical-assistance-program>; some states also have directories, see <https://www.medicare.gov/plan-compare/#/pharmaceutical-assistance-program/states>. If the application forms are complicated, perhaps a trusted friend or someone from a social service agency can assist you. Another way to try to lower your drug costs is to consult with your doctor about generic drugs, which are less expensive than brand-name ones and may be as effective.



## Home Improvement/Construction

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

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

*If you've paid for home improvement work that was never even started, you may be the victim of a crime. Contact your state or local consumer agency.*

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

*Some problems with home improvement work only become evident after the warranty has expired. Contact the contractor as soon as you discover the problems. Take pictures and keep notes as documentation. If the issue is faulty materials or installation, it's likely that other homeowners are having the same problem. Ask your state or local consumer agency for advice about next steps.*

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

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

*Before having a home constructed, consult with an attorney about whether a performance bond or other protections can be built into the agreement.*

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



*Home improvement can be one of the most costly investments consumers make in their lifetimes. It's essential to get estimates and have a written contract that lays out the payments and total cost.*

*If contractors are regulated in your area, check with the government agency that oversees that program on whether there have been disciplinary actions against the contractor you're considering. Be aware that subcontractors may be able to put liens on your property if the contractor hasn't paid them. Don't make the final payment until the contractor can confirm that the subcontractors have been paid for their work.*

*Even legitimate home improvement contractors can run into financial or supply problems that prevent them from completing the job. Protect yourself by insisting on a contract that sets a payment schedule that is proportionate to the work that is done and the materials that are delivered. If the contractor has gone out of business, contact your state or local consumer agency for advice and assistance.*

*If the contractor is arranging for financing for the job, carefully read the loan agreement to make sure you understand the cost and terms.*

*Take pictures to document shoddy workmanship and any damage it has caused, and ask your local or state consumer agency for assistance if you can't resolve the problem with the contractor.*

## **Home Solicitations**

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

## **Household Goods**

*Resist pressure to buy extended warranties. They usually have all sorts of exclusions and limitations and don't provide much more protection than the manufacturer's warranty that comes with the appliance. Even if you buy an extended warranty, you may have to be persistent to get repairs or a replacement. Keep notes of your communications with the warranty company, including the dates, who you dealt with, and what you were told in case you need that information to make a complaint or take other action.*

*It's aggravating when appliances break down and even more aggravating if you are being bounced between the manufacturer, the retailer, and the company that handles the warranty*

*claims. Keep track of your communications as you try to resolve the problem and contact your state or local consumer agency if you need help.*

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

## **ID Theft**

*Most states require residents to be notified about data breaches, and in some cases, to be provided with certain types of assistance. Federal law now allows consumers to ask the credit reporting agencies to “freeze” their credit records, at no charge, whether they are ID theft victims or not, to make it harder for their personal information to be misused if it does fall into the wrong hands. For more information go to <https://www.consumer.ftc.gov/articles/0497-credit-freeze-faqs>.*

## **Internet Sales**

*When you order something by phone, by mail, or online, federal regulations require the merchandise to be shipped by the time promised, or if no delivery date was specified, within 30 days. If the delivery is delayed, you must be notified and given the choice to wait longer or cancel for a refund. The retailer can cancel the transaction, however, if it had a reasonable basis to believe that it could make timely delivery when it accepted your order but later learns that it cannot.*

*A free trial offer doesn't mean that you get something for free, no strings attached. Typically you'll be charged unless you cancel before the trial period ends, and depending on the terms of the deal, the charges may go on and on every month indefinitely. Be sure you know exactly what you're getting into if you agree to a free trial offer and report any problems to your state or local consumer agency.*

*If you are thinking about buying expensive equipment online, check the seller's reputation with the Better Business Bureau and on complaint websites. Make sure you know the terms of the deal and print the details of the transaction to keep in case any questions or problems arise later. If you can't get clear answers for why there is a delay, or the seller doesn't fulfill the contract in a timely manner but tries to intimidate you or charge you for canceling, contact your state or local consumer agency.*

*Buying perishable goods online can be risky if the seller doesn't package it properly and deliver it promptly.*

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

*you were promised. If you don't discover a problem with an order until after that 60-day window, you may have a legitimate beef with the seller, but your ability to get a chargeback (refund) from your credit card issuer will depend on its internal policies. For the strongest protection, look for online retailers that promise delivery sooner than 60 days. Contact your credit card issuer right away if there is a delay in shipping or other problems.*

## **Landlord/Tenant**

*You may be entitled to a certain amount of notice before your landlord can unilaterally end your tenancy. If you're unsure whether your landlord is treating you fairly, don't suffer in silence. Ask your state or local consumer agency for information about your rights and how to enforce them.*

*Tenants are generally only responsible for damage or other problems they and their guests cause. If your security deposit has been wrongly withheld or isn't returned to you in a timely manner, contact your state or local consumer agency.*

*Many states require landlords to ensure that their rental property meets certain safety and health standards. But tenants are generally responsible to treat the property respectfully and avoid causing damage. Your state or local consumer agency can give you information about your rights and responsibilities as a tenant and help to mediate disputes with the landlord.*

*If you contact your landlord about health or safety problems with the property, you may want to follow up with a letter and keep a copy so you'll have a record. The time limits for landlords to make repairs may depend on the seriousness of the problems. Your state or local consumer agency can give you information about the landlord's obligations. If timely action isn't taken to remedy the problems, contact the local inspector. Some state laws specifically protect tenants from retaliation for reporting health code violations. You may be able to break the lease if the house or apartment becomes uninhabitable because of the issues.*

## **Moving**

*Always get a written estimate for moving services and be sure you know what is included in the price, including how compensation will be calculated if anything is damaged. You may want to purchase additional insurance if you have valuable furniture or other belongings. If your property is going to be in storage for a while, inspect the storage area first to look for signs of water and other potential problems.*

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

## Real Estate/Timeshares

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

*Selling real estate can be complicated. Have a lawyer review the paperwork and advise you on any requests for listing fees or other payments you're asked to make.*

*It's worthwhile to have a lawyer represent you when you buy or sell a home to make sure that the property is free of liens and there are no other problems that could come back to haunt you later.*

*Own a timeshare you don't want or can no longer use? Avoid companies that ask for fees upfront to sell your timeshare, regardless of whether they succeed, and don't believe them if they claim they have eager buyers waiting. Consult with a licensed real estate broker or agent who can tell you if there is a market for your timeshare and will only take a fee if it's actually sold. For more information about buying and reselling timeshares go to <https://www.consumer.ftc.gov/articles/timeshares-vacation-clubs-and-related-scams#avoid>.*

*Some timeshare companies are unscrupulous, using high-pressure sales tactics and lies to wear people down and get them to agree to make a purchase – or even to buy multiple timeshares. If you or someone you know was abused by a timeshare company, ask your state or local consumer agency for advice about what to do.*

*The board of directors of a homeowner's association sets the rules owners must abide by and is responsible for collecting fees and enforcing the rules. The board is also responsible for ensuring that the common areas are well-maintained. In addition to the association's rules, there may be state or local laws that apply. If you have a problem or question about your rights, your state or local consumer agency may be able to provide advice and assistance.*

## Retail

*The products you buy should perform as you would expect them to for a reasonable period of time, whether they are covered by written warranties or not. If a product stops working repeatedly, you may have the right to insist on a replacement or a refund.*

*A mobile home is a big investment. Before you buy one, make sure you have a place to put it, since there is no automatic right to cancel the purchase if your circumstances change.*

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

## **Services**

*If you have reason to believe that a plumber, electrician or heating and air conditioning contractor is not competent to do the work properly, ask your state or local consumer agency where you should report the problem.*

*Be cautious before entrusting valuable items for repairs or consigning them for sale. Get a written receipt that describes what will be done. Don't make any payments until the repairs have actually been made. Commissions for sales are normally deducted from the proceeds. Be sure you know what will happen with your items if they do not sell.*

*Paying for services with a credit card rather than a check gives you added protection because you can dispute the charges if they aren't performed or are not done correctly.*

## **Towing**

*If you believe that your vehicle was towed from private property unfairly, ask you state or local consumer agency for information about the laws that apply and what your rights are.*

*Failure to obey the parking rules set by apartment complexes, condominium, and homeowners associations can result in a costly tow. If you believe a tow was improper or you were overcharged, pay the fee to avoid storage charges and contact your state or local consumer agency for advice.*

*If you are parking a vehicle that you don't own in your designated parking space at your apartment complex, you might want to let the management know to avoid confusion and an unnecessary tow.*

## **Travel**

*Many travel agencies and tour companies belong to the American Society of Travel Advisors (ASTA), whose code of ethics requires members to deliver the services they promised and make prompt refunds when they are due. See Traveler Support under Find a Travel Advisor on the website, <https://www.asta.org/>. The safest way to pay for travel is by credit card because you can dispute the charges if the services were never provided or the refund to which you are entitled wasn't made.*