

MAY 2024

CONSUMER
FEDERATION OF
AMERICA

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CONSUMER COMPLAINT SURVEY REPORT



2023

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INTRODUCTION

Consumer Federation of America (“CFA”) is pleased to present its annual report of complaints made to consumer agencies during the year 2023. CFA conducts an annual survey of city, county, and state consumer agencies across the country about the complaints they received in the previous year, which CFA then merges and analyzes in this report. This report serves as a tool to identify common problems facing consumers nationally and inform the work of CFA as we continue to advocate for consumer protections in the marketplace. We are incredibly pleased to work with the participating agencies, as they provide a critical “boots on the ground” perspective to nonprofits like CFA and much-needed relief to residents of their communities. It would be difficult to overstate the importance and utility of these agencies. Often, consumers have a genuine dispute with a business that they cannot resolve, and they do not have the time or resources to litigate or otherwise resolve these matters on their own. Agencies can use their standing as an arm of the government and, often, their existing relationships with these businesses to resolve disputes quickly and efficiently, providing both monetary and non-monetary relief to the satisfaction of consumers.

CFA would also like to recognize the invaluable contributions of Katie McCann and Anna Marie Lowery to creating and formatting this report over the past two years.

This report includes the top ten categories of consumer complaints received by 33 agencies in 24 states.¹ These agencies vary in their functions and authority, but generally serve consumers in three main capacities:

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

CFA’s 2023 Survey asked consumer agencies to provide the following information, and the agencies’ responses to each item are included in this report:

- (1) Top 10 categories of complaints (using the agencies’ own categories);
- (2) Examples of illustrative consumer complaints received by the agency;
- (3) Statistics about the number of complaints and the amounts recovered for consumers; and
- (4) The agency’s biggest success in 2023.

[1] Eight of the state agencies included in the “top ten” calculation (Colorado, Illinois, Iowa, Missouri, New Jersey, Virginia, Vermont, and Washington) did not provide formal survey responses, but CFA obtained the top ten calculation from these agencies’ websites where such information was made publicly available.

KEY FINDINGS

- **For the eighth year in a row, auto-related issues are the top consumer complaint category.** This category includes new and used motor vehicle sales, leases, and auto repair shop issues. Consumers filed complaints about warranty issues, lemon vehicles, shoddy repair work, and mechanical failures.
- **Many agencies reported a successful expansion of outreach efforts in their communities.** This includes efforts such as expanding language translation services in Hillsborough County, Florida; creating a local consumer protection week in Fairfax, Virginia; handling tens of thousands of calls and emails in Tennessee; the creation and use of new scam prevention tools in Cuyahoga County, Ohio and Pinellas County, Florida; and a partnership between the D.C. Office of the Attorney General and the Department of Human Services to host credit repair workshops for low-income consumers.
- Together, **participating agencies have provided over \$330 million in relief to consumers** through mediations, administrative and court enforcement actions, and judgments.
- These agencies also collectively **handled nearly 500,000 consumer complaints in 2023.** Many more consumers make informal inquiries, and agencies reach hundreds of thousands of consumers with consumer education efforts, demonstrating the widespread reach of nimble public service work.
- Some “honorable mentions” of consumer complaint categories that did not make the overall top ten but were reported by agencies include complaints about **wage theft, homeowners associations, timeshare scams, the rise of door-to-door fraudulent solar financing arrangements, restaurant service fees, and trash collection issues.** Agencies handle a wide range of consumer complaints.

TOP TEN COMPLAINT CATEGORIES

- 1 Auto Sales and Repair.** Complaints related to the sale and leasing of new² and used automobiles (pricing, advertisements, mechanical defects, etc.) as well as issues related to the repair of vehicles.
- 2 Home Improvement Repairs and Contractor Issues.** Complaints about home improvement contractors or repairmen, including quality and completion of work and licensure status.
- 3 Retail Purchase Issues.** Complaints about the purchase of merchandise (both over the internet and from a brick-and-mortar store), such as goods arriving late, receiving the wrong product or a defective product, and refund and exchange policies.
- 4 Consumer Debt and Credit.** Complaints about consumer finance issues including banking, lending, debt collection, credit reporting, and other financial services.
- 5 Frauds and Scams.** Complaints about various scams (imposter scams, gift card payments, fraudulent lotteries/sweepstakes, IRS calls, etc.), elder fraud, identity theft, and business opportunities.
- 6 Landlord-Tenant.** Complaints about rental housing conditions, security deposit disputes, and rent increases.
- 7 Professional Services.** Complaints about various types of licensed or unlicensed services such as plumbers, special events, delivery services, etc.
- 8 Healthcare and Wellness.** Complaints about the quality of health care providers, fitness, and wellness centers. Also includes complaints about medical billing.³
- 9 Utilities.** Complaints about utility providers, including gas, electric, cable, and internet providers.⁴
- 10 Towing.** Complaints about private and public towing, including licensure, fees, and predatory practices.

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

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

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

AGENCY COMPLAINT EXAMPLES

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

1 Auto Sales and Repair

Florida Department of Agriculture and Consumer Services

A consumer reported that a brake failure warning appeared on the dashboard of their quad bike, which only had 4,267 miles on the odometer. The consumer took the bike to the dealership where it was purchased and it was not returned for over five months. Due to additional brake issues, the consumer brought the bike back to the dealership three more times over six months. When the brake failure warning came on again, the consumer brought the bike to a new dealer who informed the consumer that the brake module was never repaired properly, it was only epoxied. Because of this, the second dealer would not cover the cost of the repair, which amounted to \$3,561.38. The Department of Agriculture and Consumer Services became involved and determined that the repairs should be covered by the dealer. After communicating with the general manager, the consumer's request was honored.

Georgia Attorney General's Office, Consumer Protection Division

The Georgia Attorney General's Consumer Protection Division alleged that for over 50% of its vehicles, a Nissan dealer regularly failed to honor its advertised prices. For instance, some consumers were required to pay reconditioning charges or paint protection packages, sometimes for thousands of dollars over the advertised price. Because the services for these additional charges, such as vehicle inspections or conditioning, had already been performed, these charges are required, non-government fees. Accordingly, these charges must be included within the advertised price as only government charges may be properly excluded. In other instances, the final sales price far exceeded the advertised price for



no clear reason at all. The Nissan dealer was already on notice that these practices violate Georgia law. In 2016, the dealership executed a court-filed settlement acknowledging that these types of practices were prohibited and paid approximately \$80,000 in combined penalties and restitution.

Additionally, the dealer occasionally misrepresented the fees it assessed for electronic titling services and otherwise designated these fees in confusing ways. For instance, in some sales documents, the dealer consistently assessed a “MVWRA” or “Motor Vehicle Warranty Rights Act” fee of \$200-\$300. Elsewhere, the dealer represented those same fees as state-required titling services. Either designation was problematic. MVWRA is a reference to an earlier version of Georgia’s Lemon Law (which became effective in 2009), so the reference was inaccurately used in designating title fees and was inapplicable for used cars that are not covered by Lemon Law protections. In other documents, the dealer represented these \$200-\$300 charges as being charged and required by the government. While approximately \$25-\$35 of the charge was remitted to a licensed Department of Revenue vendor, the rest of the fee was pocketed by the dealer as a service charge. The dealership executed a court-filed settlement and paid a \$20,000 penalty to the State of Georgia. Further, as evidence of the group’s intention to ensure compliance in all of its stores, the other three Georgia dealerships agreed to institute ongoing policy and training protocols.

Connecticut Department of Consumer Protection

A consumer detailed multiple incidents of mechanical failures and poor customer service when working with CarMax. They highlighted issues such as tire pressure, faulty sensors, engine problems, and more, which they believe should have been detected by CarMax before selling the car. Despite attempts to address the issues, including contacting national customer service, the situation remained unresolved. Eventually, CarMax agreed to reimburse the consumer for the cost of repairs and allowed them to return the car, resulting in a refund of \$18,189.72.

Tennessee Attorney General’s Office

A consumer took their truck to a dealership to have a repair done as part of a nationwide recall. About a week later, while the truck was parked in the driveway, the truck started rolling into the road. The consumer took the truck back to the dealership and was told

they couldn't find a problem. Several months later, the consumer's vehicle rolled down a parking lot and struck two vehicles. The manufacturer sent an engineer to the dealership to look at the truck who indicated that there was a problem and that they would send the report to the manufacturer. After waiting four weeks for communication, the consumer tried calling the manufacturer only to be told that they would not be doing anything. The consumer filed a complaint, and the Attorney General's Office mediated the dispute. The manufacturer ultimately agreed to and completed a full replacement of the \$68,000 truck.

South Carolina Department of Consumer Affairs

The South Carolina Department of Consumer Affairs saw a 53% increase in vehicle-related complaints. In August of 2023, a consumer purchased a used 2021 vehicle with factory warranties still available. Once the vehicle was in the consumer's possession, they realized the technology options that provide remote services were not working properly. The vehicle was immediately brought to the dealer for repairs. The dealership was unable to repair the technology options because the vehicle was from Canada and those options will not work in the United States. Further, it was discovered that all factory warranties were nontransferable to the United States. The dealer responded by telling the consumer the car was sold "as is" and an extended warranty was not purchased. They claimed not to know the car was from Canada. The business then ended communication with the consumer. The South Carolina Department of Consumer Affairs contacted the business, and a resolution was reached in less than ten days. The dealer bought the vehicle back for the full purchase price of \$43,316.00.

[VA] Fairfax County Department of Cable and Consumer Services

A consumer took their vehicle to a dealership for a low fuel sensor replacement because the vehicle check engine light came on intermittently and the vehicle stalled. The sensor was replaced along with the fuel pump at the recommendation of the dealership. The check engine light continued to appear, and the dealership escalated the issue which left the consumer without a vehicle and the consumer had to rent a car. The consumer requested a refund for the repairs to take the vehicle to another mechanic. After the Fairfax County Department of Cable and Consumer Services intervention, the dealership agreed to refund the consumer \$2,199.31 for the repairs that failed to correct the problems and the cost of the rental car.

2 Home Improvement Contractors

North Carolina Department of Justice, Consumer Protection Division

A consumer submitted a complaint to the NCDOJ Consumer Protection Division against a fence installation company. The consumer paid the business a security deposit for the installation of a new fence and the company said the fence installation would take 60 days. Despite the consumer following up with the company about installation repeatedly, the company did not perform any work or provide a timeframe or a start date. The consumer was told there were logistics issues and no fence was ordered and they asked for their money back. After several instances of asking for a refund without resolution, the consumer contacted the Consumer Protection Division for assistance. The office reached out to the business and they responded by gathering installation materials and a crew to begin the contracted work. The consumer thanked the NCDOJ Consumer Protection Division, stating: *“Thank you so much for all of your support and efforts to protect consumers in North Carolina. My husband and I are both full-time military members and we are grateful to know that North Carolina takes prompt action protecting residents.”*



[MD] Howard County Office of Consumer Protection

A consumer purchased a front door and storm door from a big box retailer and hired one of its recommended installers. The installer failed to properly install the front door and the replacement installer failed to fix the job but only made it worse by improperly installing the storm door. When the

consumer complained, the retailer blamed the consumer for the large gaps between the doors and framing allowing heat and cold to infiltrate the home. After years of negotiating on their own, the consumer called the Office of Consumer Protection (OCP). After extensive negotiation and escalations through the claims process, OCP was able to obtain a settlement that refunded the price of both doors and the cost charged by the installers.

[FL] Hillsborough County Office of Consumer Protection

A consumer bought a property in December 2022 and hired a contractor for remodeling, agreeing on a \$19,745 quote despite no formal contract. The contractor promised completion by June after receiving a \$2,675 deposit. The business then demanded additional payments for unforeseen expenses, totaling over \$73,000. The contractor admitted the need for a permit but failed to obtain one promptly. Later, they proposed an additional \$481,958 to complete the project, leading the consumer to terminate the contract and request the return of the previously paid deposit balance of \$28,875. The business failed to return any funds or remove their equipment from the residence. After becoming involved, Hillsborough County Consumer Protection was able to mediate an acceptable solution and the contractor agreed to refund the consumer's money. The total amount recovered in this case was \$28,875.00.

[NY] New York City Department of Consumer and Worker Protection

A consumer hired a home improvement contractor for the removal and installation of kitchen cabinets and floor tiles. The home improvement contractor was unable to perform the work and refused to return a deposit of \$14,000. The consumer reached out to the Department of Consumer and Worker Protection and, after mediation, the office was able to get the consumer back the full amount of \$14,000.

[FL] Palm Beach County Division of Consumer Affairs

A consumer reported that they co-own and reside at a property along with their two siblings. They had an in-person visit from a representative from a contractor regarding a roof replacement, at which time they were advised that one sibling was approved for a PACE loan which would be repaid via taxes. The consumer told the representative that as co-owners, they and the other sibling would not sign to authorize the roof replacement, but they were told that did not matter. The consumer further alleged they later found that both their initials and the other sibling's were added to the contract without their authorization or knowledge, and a PACE-related lien had been recorded against the property which they were unsuccessful in removing. The consumer wanted the contract canceled and the lien removed. The loan amounted to \$21,000. Following the intervention of the Palm Beach County Division of Consumer Affairs, the subsidiary finance company advised that the applicable finance window closed without disbursement to the contractor, and subsequently, the Release of Lien was recorded.

[VA] Fairfax County Department of Cable and Consumer Services

A homeowner signed a contract with a licensed contractor to replace the roof, downspouts, gutters, and siding on the homeowner's home, and to replace the roof on the homeowner's gazebo. The homeowner stated there was a significant six-month delay after the expected completion date and there were multiple issues with the siding and roofing projects. The homeowner alleged the contractor was unresponsive to their concerns. The homeowner requested the contractor execute the contracts, provide the qualifications of the contractor's employees and subcontractors as required by the contract, provide evidence of insurance coverage for the subcontractors, provide reimbursement for damages to the gazebo's roof project, and address all outstanding issues with the siding and roofing projects. After the Fairfax County Department of Cable and Consumer Services intervention, the contractor claimed no wrongdoing, but addressed all the outstanding issues. In addition, the contractor provided the homeowner with the requested documentation and warranty for the roof and siding and issued the homeowner a check totaling \$6,295 for the damage to the gazebo, to the homeowner's satisfaction.

3 Retail Purchasing Issues

Maryland Office of the Attorney General

A consumer purchased a stand-up desk and paid to have it put together. After having the desk for a few months, it broke and was no longer able to be used. The consumer advised that they needed to use a stand-up desk for health reasons. Once the Attorney General's office became involved, the facility returned the cost of the desk as well as the cost the consumer paid to have it put together.



[PA] Bucks County Office of Consumer Protection

A consumer had been receiving invoices and then collection letters from an unknown home heating oil company. The consumer had spoken to them several times, but the company continued the collection effort. The Bucks County Consumer Protection team was contacted and after connecting with the business, found out the oil delivery was to the neighbor next door. The Consumer Protection team was able to clear up the matter and halt the process. The consumer was grateful and relieved as the business' collection practices, and threats were intimidating. The Bucks County Consumer Protection Office worked with the company to improve its customer service/business collection practices.

[FL] Pinellas County Office of Consumer Protection

A consumer purchased a recliner sofa and loveseat from a nationwide furniture store. They also purchased a warranty on the furniture. Shortly after the purchase, the reclining mechanism on the loveseat failed. The consumer notified the store, and they replaced it under warranty. Not long after, the mechanism failed again and the store sent an inspector out, who confirmed it should be replaced under the warranty. However, the company never replaced the loveseat. After several calls with no follow-up, the consumer filed a complaint with Pinellas County Consumer Protection. The assigned investigator contacted the store by mail and telephone and visited the location, but no company response was received. An informal hearing was scheduled with the parties and the corporate office sent a regional manager to the meeting. Due to the ongoing failure, the regional manager inspected the furniture and agreed to issue a full refund at the consumer's request. The consumer expressed their gratitude for the Consumer Protection Office's assistance as they knew of no other options to resolve the matter.

New York Department of State, Division of Consumer Protection

A consumer purchased a set of new kitchen appliances for over \$5,000, but immediately after installation, the oven would not work properly. After multiple repair attempts, the consumer was still having issues with the appliances, so they contacted the retailer to return them for a refund. The retailer first refused to take the appliances back and claimed they would only replace them with new units, but the consumer was not satisfied with this proposed solution. The retailer then said they would take the appliances back, but the consumer would have to pay a restocking fee as the appliances were now used. The consumer contacted the Department of Consumer Protection (DCP) for assistance. DCP contacted the appliance retailer and through mediation was able to arrange for a full refund for the consumer.

Utah Division of Consumer Protection

An investigation by the Division of Consumer Protection led to criminal convictions against two individuals related to a company selling trailers. Both individuals misled consumers to obtain large deposits for custom camping trailers that were never delivered.



Connecticut Department of Consumer Protection

A consumer encountered issues with Ticket Network after purchasing four tickets to a concert, believing they were misled into paying unreasonable fees. Despite attempts to cancel and dispute the transaction, including contacting Ticket Network's customer service and writing to the CEO, no resolution was achieved. However, after disputing the charge with their financial institution, the consumer received a refund of \$797.49.

4 Consumer Credit

Arkansas Office of the Attorney General

The owner of a small shop in Fort Smith reported that their account with a payment service provider had been taken over and \$17,000 was removed, plus fraudulent charges were made using various credit cards. The account was locked out and they could not reach a representative or see if the person was still charging random credit cards. The office of the Attorney General contacted the business and the payment service provider notified the office that, after reviewing the fraudulent activity on the account, they had agreed to cover the losses as a courtesy, although the losses were not caused by a failure of their security systems, and they were not liable for such losses under the agreement. The payment service provider made a \$43,791.36 adjustment.

Georgia Attorney General's Consumer Protection Division

A company operated an online software sales training program around the country, including in Georgia. Students paid for the online classes through income-sharing agreements that required graduates to pay thousands of dollars back to the company upon reaching a certain income threshold. However, not only did the company allegedly make deceptive claims concerning graduates' employability and projected salaries, but it also lacked the required license to operate an educational institution, which rendered the income-sharing agreements void and unenforceable. The company filed for bankruptcy amid investigations by state attorneys general.

A California company purchased a subset of these income-sharing agreement accounts from the original company and started collecting on them. Because the income-sharing agreements accounts for Georgia students were illegal and void, the Georgia Attorney General's Consumer Protection Division alleged that all collection activities against the Georgia income-sharing agreements accounts are contrary to law. Per the settlement, collection activities permanently ceased on all of the Georgia income-sharing agreements accounts, resulting in a total of \$413,257.01 in relief for Georgia students.



5 Frauds and Scams

[OH] Cuyahoga County Department of Consumer Affairs

A consumer reported they were using their computer when a loud alarm sounded and a pop-up window urged them to call "Microsoft" at a number listed on the screen. The consumer called the number and was told hackers put illegal files on their computer that needed to be deleted. The consumer was told the hack had affected all of their electronics and if immediate action was not taken, there could be serious consequences. The scammer posing as a Microsoft employee then offered to connect the consumer to

their bank and alleged that \$15,000 was missing from the account. The consumer was told the bank could duplicate the transactions to recover the money, but they needed to achieve this by purchasing Home Depot gift cards. They advised the consumer if anyone at the store questioned the purchases, they should claim the cards were for home renovations. The consumer followed the scammer's instructions to go to three different stores to purchase the gift cards. After they purchased the cards and read the numbers to the scammer, they were told to destroy the cards. The consumer lost \$15,000.

Arkansas Office of the Attorney General

A consumer searched for the customer service number for their internet service provider on Google. For two months, the consumer called the number and made payments to the company's "agent." Later, the consumer received notice from the service provider that their services would be disconnected for non-payment. The consumer explained to the service provider that they had been paying the bill and that there was proof. The consumer realized at that moment that they had been scammed and filed a report with the local police and a complaint with the Office of the Attorney General (OAG). The consumer did not believe they would get any of the money back but wanted the OAG to be aware of what happened. After the OAG reached out to the service provider, they gave the consumer a \$900 credit, the total amount paid to the scammer.

[FL] Pinellas County Consumer Protection

An investigation by Pinellas County Consumer Protection (PCCP) uncovered multiple businesses that had been targeting senior citizens who owned vacant land worth \$2,000 - \$5,000 and indicated they had potential buyers willing to pay up to ten times the value of their land. During one investigation, it was revealed that the individual behind the scheme changed company names seven times over the course of five years, in an attempt to avoid detection. Due to the ongoing nature of the scheme, more than 140 potential victims were identified. Of these potential victims, 30 filed complaints, whose ages ranged from 64 to 96 years old, and it was determined that 19 potential victims had passed away. The individual responsible ultimately pled guilty to Scheme to Defraud charges, spent 158 days in jail, was sentenced to 36 months in prison, and was ordered to pay restitution to the 30 victims in the amount of \$203,941.00.

Wisconsin Department of Agriculture, Trade and Consumer Protection

A consumer filed an identity theft complaint with our department alleging two large vehicle loans were taken out in their name amounting to \$168,522. These loans were made without the complainant's knowledge and authorization. The Bureau of Consumer Protection contacted the complainant on the same day to let them know the complaint was forwarded to the two lenders, requesting a written response. The first lender responded advising that they had investigated the claims and determined the account in question was fraudulent. This first effort mitigated \$80,994 from the complainant's debt. Multiple attempts were made to reach the second lender and a similar response was received three months later. That lender also found signs of fraud and waived the balance of \$87,528. The complainant was advised of both adjustments and expressed this resolution wouldn't have been reached without the bureau's assistance.

6 Landlord/Tenant Disputes



[CA] Los Angeles County Department of Consumer and Business Affairs

A tenant living on a fixed income was facing a rent increase of more than 8% along with threats of eviction. After contacting the Department of Consumer and Business Affairs (DCBA) to learn more about their rights, counselors identified that the unregistered and unpermitted unit was subject to the County's Rent Stabilization and Tenant Protections Ordinance. The consumer was provided with further information to

preserve their rights. A thorough review determined that not only was this new rent increase unlawful, but previous rent increases paid would also need to be reversed. The landlord subsequently lowered the monthly rent due and refunded \$3,957.42 in overpayments. This act of seeking assistance by one consumer had direct benefits to neighbors, too. Rent overpayments for two neighbors were also secured, all thanks to their decision to contact DCBA.

District of Columbia Office of the Attorney General

A tenant contacted the Office of the Attorney General (OAG) because of the presence of secondhand smoke in their apartment unit, even though the building was supposed to be a smoke-free building. The OAG Mediator worked with the tenant and the building to negotiate an agreement to break the lease early, without financial penalty, so the tenant could move to another building.

[VA] Fairfax County Department of Cable and Consumer Services

Fairfax County Department of Cable and Consumer Services received multiple tenant-landlord complaints against an apartment complex involving failure to respond to maintenance concerns like pest infestation, mold, fire safety, and sewage backup. The tenants made requests to terminate the lease agreement without penalty, make repairs to the units, and be provided rent concessions or reimbursement for out-of-pocket expenses. After the Fairfax County Department of Cable and Consumer Services intervention, the apartment complex made the necessary repairs, allowed the tenants to terminate the lease without penalty, and offered compensation in the amount of \$14,593.

North Carolina Department of Justice, Consumer Protection Division

A consumer filed a complaint with the North Carolina Department of Justice (NCDOJ) Consumer Protection Division against an apartment rental management company. The consumer stated that they received notice of a rent increase which would go into effect before the end of the current lease. The consumer continued to pay the same rent amount as indicated in their lease. They then received a 30-day notice of eviction due to the past due increased rental amount not being paid in full. The consumer spoke with the community manager, who insisted the new amount had to be paid instead of the amount in the lease. The consumer contacted the NCDOJ Consumer Protection Division for assistance. After several attempts, the Consumer Protection Specialist was able to

mediate the complaint. The attorney for the management company apologized on behalf of the company and explained there was a clerical error that created a mistaken assessment of increased rent to the tenant.

Florida Department of Agriculture and Consumer Services

A tenant rented a house last September 2022 and moved out at the end of September 2023. The next month, the consumer received a letter from the landlord stating that \$2,949 would be taken out of the tenant's account to paint the house. The landlord reimbursed \$401 of the \$3,350 security deposit and sent a construction bid form showing the expenses for items in the house needing to be remodeled, even though the property was left clean and undamaged. After the Florida Department of Agriculture and Consumer Services processed this complaint and contacted the landlord, the remaining security deposit (\$2,949) was returned to the tenant.

7 Professional Services

[CA] Los Angeles County Department of Consumer and Business Affairs

The Department of Consumer and Business Affairs (DCBA) received a complaint from a property owner requesting assistance related to a bail bond lien (Deed of Trust) recorded against their property. In 1993, the property owner used their property as collateral to bail a relative out of jail. As time went on, the property owner realized the bail bond lien, which comes in the form of a Deed of Trust being recorded against the property being used as collateral, had not been satisfied (reconveyed), despite the relative being exonerated (released/absolved from blame). The property owner then learned that the bail bond company and the insurance company involved in the transaction had dissolved (gone out of business). After countless attempts over 20 years, the property owner made numerous efforts to locate the right party to satisfy the lien. It wasn't until the property owner filed a complaint requesting assistance that DCBA was able to locate the party who had owned the debt. DCBA reached out to the party and brought to their attention the property owner's complaint, the party then agreed to act

as requested and recorded a full reconveyance (satisfaction) of the lien with the County's Registrar Recorder's office. The removal of the lien freed up \$150,000 in equity in the property and saved the property owner thousands of dollars in attorney fees.

[PA] Bucks County Office of Consumer Protection

The Bucks County Consumer Protection office fielded complaints from multiple consumers who reported issues with a funeral services company. The company regularly has issues with backlogs, poor management, and leaving consumers waiting for monuments for their loved one's gravesites. The business is unresponsive and does not keep commitments to fulfill orders within the contracted timeframe. Many consumers paid significant deposits, some at 50% or 100% of the cost of the contract, only to have estimated delivery dates come and go, by over a year in some cases. The Consumer Protection Office is working to have the business complete contracted work while simultaneously working with our partners in law enforcement to determine if any criminal charges are warranted in this case due to the number of impacted consumers.

8 Healthcare

[MD] Arkansas Office of the Attorney General

An Arkansas consumer needed a medical procedure done at a hospital. Before surgery, the consumer verified with the billing department, that the hospital and surgeon were in network with her insurance company. The consumer met with the manager and billing department to review and discuss the deductible and out-of-pocket responsibility and they were informed that if there were any additional charges after surgery, the consumer's insurance company would cover them. Due to later complications, the consumer had to undergo another surgery and continued additional treatment from the hospital.

The consumer did not receive a bill from the hospital until almost two years later, which stated there was an outstanding balance that needed to be paid immediately or it

would be sent to collections. The consumer was sent to two collection agencies. Due to the date on the bills, the insurance denied the claim and the appeal. After the Office of the Attorney General contacted the hospital, the hospital considered the payment made by the consumer as a full payment and wrote off the remaining balance of \$36,938.65.

District of Columbia Office of the Attorney General

A consumer contacted the Office of the Attorney General (OAG) because they had been charged over \$30,000 in medical bills. The consumer told the OAG that the services provided were unnecessary and should not have been billed to them. The consumer told the OAG that they would not have agreed to the medical services had the

provider told the consumer in advance that the services would not have been covered by insurance. The OAG contacted the provider and presented the consumer's position. At first, the medical provider denied the request. The mediator worked with the consumer to provide more detailed information through a follow-up letter. After receiving the follow-up letter, the hospital agreed to waive the full amount of charges in dispute.



9 Utilities

[MD] Howard County Office of Consumer Protection

A tenant in a multi-dwelling community filed a complaint questioning the unexpected rise in their water and sewer bills. The apartment used Howard County's Ratio Utility Billing System (RUBS) law to allocate utility bills. Howard County law requires that landlords who opt not to use direct billing between tenants and utilities provide a precise formula that will be used to allocate the overall bill to each tenant. This formula must deduct utilities used by common or administrative areas meaning for example,

that tenants are not responsible for keeping the lobby lit, the management office warm, or for water used to power wash a building. Landlords also cannot pass through late fees, reconnect fees, etc. When the consumer questioned the bill, the onsite manager simply referred the tenant back to the bills and insisted they were correct without doing any further analysis.

The Office of Consumer Protection (OCP) reviewed the invoices and wrote to the property manager for an explanation. Again, the onsite management referred OCP to the bills and asked that the investigator contact the third-party billing agent for further information. Howard County law, however, requires that the landlord open an investigation, review the complaint raised by the tenant, and provide a report of the investigation within 30 days. If the amount billed was wrong, the landlord must issue refunds. OCP therefore escalated the issue to the property manager's corporate office and the landlord. After a thorough investigation, the property manager determined that the precise formula was followed but the incorrect numbers were used. Instead of dividing up the quarterly amounts into three months, the whole quarterly bill was input into each month's calculations. Through OCP's efforts, and the voice of one tenant, OCP was able to order the return of \$13,104.84 to all affected tenants (past and present).

Arkansas Office of the Attorney General

The Office of the Attorney General (OAG) received a large influx of complaints against a natural gas company due to a drastic increase in monthly bills. After the OAG contacted the company, the initial response was that there was a problem with the payment processing system and they had started to credit the accounts of affected customers. Complaints continued to come in about high bills. The company responded that bills had gone up because the gas supply rate (GSR) which reflects the market price that they pay for gas had increased. They make no revenue on the GSR and bill customers the same amount for gas that they pay for it. The OAG asked the Public Service Commission to investigate the company's purchasing and billing practices and potential violations of Commission rules. Later, the OAG filed a motion with the Public Service Commission opposing the company's plan to resume the charging of late fees and disconnecting gas service until the investigations were complete or until an alternative date was set by the Public Service Commission based upon information gathered during the investigations.

South Carolina Department of Consumer Affairs

A consumer filed a complaint stating they received a letter in the mail that their current service provider was bought out by a new company, and they needed to contact them for an equipment upgrade because of cellular carrier changes. The consumer contacted the business and was told their home was labeled as “DIY” and no technician would be coming out despite the letter stating they would. Shortly thereafter the equipment stopped working. The consumer contacted the business and requested the service be canceled as the contract had previously expired. After several conversations, the business agreed to send an email with a cancellation contract to be signed by the consumer. The consumer received the email, however instead of being a cancellation contract, it was a renewal contract. The consumer declined to sign the document and therefore could not get a copy of the entire contract though it was requested. The consumer called back, and the business stated, that because they declined to sign the contract, they could not cancel the contract. The consumer continued to call without resolution of the issue. Finally, the consumer spoke with a customer service representative who advised a letter needed to be mailed to the corporate office stating they wanted the service canceled. The consumer obliged. The consumer considered the matter resolved until two months later. The consumer realized their bank account was still being debited for the monthly service fee. The consumer contacted the business again and was again told the cancellation was not processed. Frustrated with this experience, the consumer filed a complaint. The South Carolina Department of Consumer Affairs was able to recover \$51.27 and finally get the contract canceled.



10 Towing

[NY] New York City Department of Consumer and Worker Protection

A consumer got towed at the request of the New York Police Department. The tow truck company asked for \$295 in cash for the consumer to get their car back. The consumer

paid the \$295 amount and got a receipt, but after further inspection of the receipt, the consumer realized they had been charged more than the legal amount. The consumer reached out to the Department of Consumer and Worker Protection, seeking a refund of the \$110 that they were overcharged and, after mediation, the business agreed to refund the consumer in full.

[FL] Broward County Consumer Protection

A consumer alleged that a tow company refused to take debit/credit cards for payment and demanded cash only. Broward County ordinance requires that more than one form of payment be accepted. A representative from the tow company allegedly explained that the credit card terminal was down. The consumer also requested photos of the car prior to the tow.



A Broward County Consumer Protection Analyst, along with a county tow inspector was assigned to investigate the complaint. The tow company did not have the required photographs of the vehicle prior to the tow. The company did not have the required tow manifest documents either. The company was issued multiple Notices of Violation and agreed to a full refund of \$201.34.

[MD] Howard County Office of Consumer Protection

The Office of Consumer Protection issued a Notice of Violation to a new tow company for sharp practices. There, an apartment community had rejected this towing business for its parking lots. Undeterred, the tow company came onto the property after hours, removed the prior tow company's signs, installed its own signs, told the concierge it had a valid contract with the property owner when asked, and then towed ten cars without the authorization of the property owner or its agents. These tenants missed work, appointments, and getting their kids to school. The tow company was ordered to return the cars without redemption fees.

AGENCY SUCCESSES

We asked participating agencies to describe their biggest success from the year 2023, such as mediating a particularly difficult dispute, publishing a report about a consumer protection issue, starting an outreach program, or bringing an enforcement action.

Arkansas Office of the Attorney General

Holding solar businesses responsible for deceptive conduct

In 2023, the Office of the Attorney General (OAG) received 532 complaints regarding sales misrepresentations during the door-to-door sale of solar panels that consumers paid through loans with third-party financial institutions. Our office reached success by contacting the lenders involved in many of these transactions. Many lenders removed the consumers as the responsible party and instead made the solar business responsible for the loans relieving consumers from the burden of \$4,441,956.98 through the cancellation of contracts. In addition, the OAG issued an enforcement advisory to all solar companies regarding violations of the ADTPA and sued two of the solar companies.

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

Expansion of free income tax preparation services to increase household income and improve tax compliance

In October 2023, the Department of Consumer and Business Affairs (DCBA), along with several County and community agencies, was awarded the Bronze Eagle award, a top-three Countywide recognition, by the LA County Quality and Productivity Commission, for the “Claim Your Cash” program, through which DCBA’s Center for Financial Empowerment has helped expand free income tax preparation services across Los Angeles County. Partners aligned messaging and media campaigns geared toward low-income residents, expanded outreach to those who may not typically file taxes, created ‘warm hand-offs’ and stronger connections to free tax supports, and increased the capacity of free tax preparation sites. As a result of this project, not only did low-income Los Angeles County residents augment the income available to meet their household needs, but tax compliance also increased for more than 12,000 individuals.



(CA) San Francisco District Attorney's Office

Grant awarded to protect consumers and retailers from widespread theft trend

The San Francisco District Attorney's Office was awarded a \$2 million grant from the State of California's Organized Retail Theft Vertical Prosecution Grant Program to address the issue of groups of people who are targeting stores in the city, often in "smash-and-grab" theft. The loss goes beyond the cost of the stolen merchandise which is passed on to consumers. It created a growing reluctance of customers to shop downtown and the stores' ability to attract and retain workers. Adverse news coverage had a ripple effect. Many long-time retail businesses left San Francisco and the tourism and hospitality industries have suffered, affecting the overall economy. With this grant, the San Francisco District Attorney's Office will be able to dedicate resources to hold criminals involved in all aspects of organized retail theft responsible for their actions. The office is investigating the fences and resellers who receive the stolen merchandise.

Connecticut Department of Consumer Protection

Reaching out to underserved communities and providing inclusive services

The Department of Consumer Protection takes the challenge of reaching all of the state's consumers very seriously. To meet that challenge successfully, they have contracted a full-service real-time telephonic translation service that also provides ASL interpretation when needed.

In partnership with that effort, the office also launched a 6-month, multi-lingual public scam awareness campaign. The new Commissioner announced the program and the office advertised in multicultural outlets including print media, radio talk shows, and live interviews. To support the campaign, we continued to write a monthly consumer column in three popular newspapers – translating into Portuguese, Polish, and Spanish. These inclusive efforts have resulted in an increase in public awareness in those communities.

(DC) Office of the Attorney General, Consumer Protection

Connecting with local consumers

The Office of Consumer Protection (OCP) focused on increasing its in-person community presence. The OCP addresses a mix of national and local-focused enforcement matters, but wanted to increase its community presence to best meet and respond to the needs of District consumers. The Office of the Attorney General (OAG) Mediation developed a relationship with the DC Department of Human Services (DHS) to set up in-person mediation intake once a week at rotating DHS service centers across the District. Once a

week, staff are present at a DHS service center and offer mediation services, referrals, and connect with local consumers. The OCP also started free OAG Credit Repair Workshops, which provide 1-on-1 credit counseling to participants, with a focus on underserved, low-income participants. This is a free service that helps community members build their credit scores. OCP hosted four Credit Repair Workshops. The OCP continued its student loan advocacy in the community.

(FL) Hillsborough County Office of Consumer Protection *Remaining adaptable and proactive despite legislative challenges*

Our foremost accomplishment was our ability to remain adaptable and proactive considering the substantial implications of House Bill 1417, which received approval from Governor DeSantis. This legislative change eliminated local government intervention in landlord/tenant disputes, impacting a significant portion of the complaints received by this office. Despite a reduction in our caseload, we noticed a considerable rise in consumer savings. This enabled investigators to allocate more time and effort to cases necessitating extensive communication to ensure favorable outcomes for consumers.

Hillsborough County Consumer Protection remains committed to swiftly and effectively addressing complaints related to theft, fraud, wage loss, and other unfair trade practices. Serving as a cost-effective alternative to legal proceedings, we aim to resolve disputes, recoup losses, uphold consumer protection laws, and safeguard the well-being of both residents and visitors by advocating for ethical business practices.



“Our diligent efforts resulted in the return of nearly \$1 million to consumers in the form of monetary reimbursements, goods, or services.”

(FL) Pinellas County Consumer Protection *Preventing rental scams with a multipronged approach*

Pinellas County introduced a rental scam initiative to help mitigate the rental scams that focus on community awareness, identification and mitigation of activities, and coordination with stakeholders. As part of this effort, an Investigator began an ongoing process of reviewing, identifying, and removing fraudulent online rental advertisements targeting the local housing market. During the first 12 months of this proactive effort, 200 fraudulent ads were removed. By removing these ads quickly, there is less potential for vulnerable individuals and families to fall victim to these scams. In addition, Consumer Protection also developed a brochure to distribute to the public that provides information on how to reduce your chances of becoming a victim by identifying the various red flags and methods used by scam artists.



Florida Department of Agriculture and Consumer Services

Supporting consumers during disaster

From late August through September 2023, while Hurricane Idalia was battering the east coast of Florida, the Department received almost 900 consumer complaints related to contaminated fuel that was distributed from the Port of Tampa to 15 area gas stations.

The Department immediately mobilized and dispatched field inspectors to the stations to shut down the tanks and collect fuel samples. The Department began communicating directly with the business to develop a strategy to assist consumers. The Department coordinated with the business and implemented a claims program for consumers to submit their claim directly to the business. With each complaint that was received, the Department provided the consumer with instructions on how to submit their claim with the business and continues to monitor the progress and outcome of the claims process on behalf of the consumers.

(FL) Broward County Consumer Protection Office

Focusing on community outreach

The county's consumer protection office initiated a relaunch of our outreach program that was dormant for much of the period after the COVID-19 pandemic. The office also added a team member to assist in social media posts and to help design new "palm cards" to distribute at events. The consumer protection office is focusing its efforts on reaching out to other agency contacts, libraries, cities, and other community centers about scheduling more events.

(MD) Howard County Office of Consumer Protection

Fighting for consumer refunds from a fraudulent developer

The Howard County Office of Consumer Protection (OCP) received a referral from the Maryland Office of the Attorney General's Home Builder's Registration Unit for consumers who had also filed complaints with the Better Business Bureau of Greater Maryland. After a year of negotiation and effort, the business had failed to provide the requested relief through either entity.

Three consumers deposited funds with a local developer (a single-member LLC) and collaborated with the developer's third-party architectural firm (based in Georgia) to design homes. However after a year, there was no progress, and deposit requests were denied. The State believed the developer just stopped short of acting as a custom home builder, prompting the OCP to handle the complaints differently. Time was crucial due to the one-year statute of limitations for civil enforcement, and the developer's ability to delay other agencies emboldened his belief that he could retain the deposits. The investigator found that the developer had not completed the application to subdivide or rezone the property, as required by county law before selling lot deposits. Additionally, the land was not owned by the LLC but by someone believed to be the developer's elderly aunt.

When contacted, the developer claimed the payments were "reservations" rather than deposits, and that the deposits were used as collateral for a development loan. The OCP dismissed this claim and pressed for a refund and evidence on how the deposits were used, only to discover that the deposits weren't used as collateral for land development loans as claimed. The developer, unable to provide evidence or refunds, ceased communication. The OCP then issued an administrative subpoena.

After the developer hired a lawyer who provided the requested documents, the OCP proved the developer didn't own the land when selling deposits or filing applications, didn't use deposits for collateral, and lacked clear ownership of the property. With this evidence, the OCP negotiated full refunds of \$10,000 per consumer and addressed the developer's future conduct.

North Carolina Department of Justice, Consumer Protection Division

Protecting local homeowners' finances

The Attorney General sued real estate company MV Realty for deceiving North Carolinians into signing unfair predatory contracts, allegedly in violation of the state's consumer protection laws. MV Realty tricked homeowners into signing oppressive, 40-year real estate agreements that could survive their deaths and specifically targeted North Carolinians dealing with financial hardship. As part of these contracts, MV Realty placed liens on the homeowner's property to enforce their agreements, further devastating people financially.

The NCDNJ achieved a significant legislative victory to prevent such deceit in North Carolina in the future. The office worked with the General Assembly to draft the Unfair Real Estate Agreements Act, bipartisan legislation that prohibits companies from using the same kind of predatory, long-term agreements used by MV Realty. The legislature passed the bill in September and the governor signed it into law to prevent any other real estate companies from trapping consumers or undermining their home ownership.

New York Department of State, Division of Consumer Protection

Preventing gift card scams

In 2023, the New York Division of Consumer Protection created a public outreach campaign advising businesses selling gift cards of a new New York State law requiring any business selling gift cards or gift certificates to display a sign at or near where any gift card or gift certificate is displayed or sold to caution consumers about gift card fraud.

The Division developed model signage to assist New York State businesses in complying with the new law. Subsequently, all consumers are reminded that gift cards are for gifts, not payments, every time they make a gift card purchase in New York State. Additionally, the signage includes the Division's Consumer Assistance Helpline phone number, which creates the residual impact of providing real-time assistance and support to consumers.



New York City Department of Consumer and Worker Protection

Prioritizing safe electronic micromobility transportation

The Department of Consumer and Worker Protection (DCWP) is committed to protecting New Yorkers from the dangers of uncertified battery-powered micromobility devices and the batteries those devices use. In September 2023, DCWP began enforcing the city's law (Local Law 39 of 2023) which requires that all battery-powered micromobility devices and the batteries these devices use that are sold, leased, or rented in the city must be certified in compliance with Underwriter Laboratory (UL) standards by an accredited laboratory, and properly labeled.

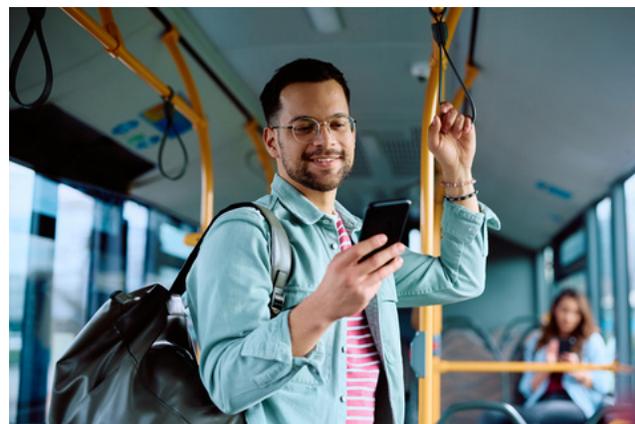
Since the start of enforcement in mid-September to December of 2023, DCWP conducted more than 300 inspections and issued over 100 summonses to brick-and-mortar retailers for selling, leasing, or renting uncertified battery-powered micromobility devices (like e-bikes and e-scooters) and the batteries those devices use.

Additionally, DCWP has sent 40 Cease-and-Desist letters to online retailers and issued 10 summonses to those retailers for continued noncompliance with the law.

(OH) Cuyahoga County Department of Consumer Affairs

Helping consumers stay informed about scams

The Department of Consumer Affairs started a novel program, Scam Squad Alerts on Ready Notify. Residents can sign up to get regular reminders about scams through the county's emergency engagement notification system. They can select voicemail, text, or email alerts – or any combination of the three options. Every 4-6 weeks, registrants will receive a reminder about a scam or scam technique. The program was launched in August 2023, and by the end of the year, about 1,700 people had signed up. The department has received positive feedback from consumers who have signed up for the program. The local media covered the program when it was first announced and the department posted signboards with take-home cards at more than 100 locations around the county, including libraries, community centers, and city halls, encouraging more residents to sign up.



Ohio Office of the Attorney General

Over \$2 million awarded in home improvement scammer case

In May 2023, Judge Michael Russo ordered Neil Wolfe and Neil Construction to pay \$625,873 in restitution to 20 defrauded consumers. Additionally, civil penalties totaling \$1,775,000 were imposed for 71 violations. This serves as a strong warning to businesses attempting to cheat Ohioans. The judgment resolves a 2021 lawsuit stemming from Wolfe's fraudulent practices, including taking down payments without completing work and evading legal obligations. Wolfe is serving a three-year sentence for a separate criminal theft conviction. Despite being a notable case, it reflects a broader issue addressed by the Attorney General's Consumer Protection team, which is committed to holding deceitful businesses accountable.

Oregon Department of Justice

Protecting consumers' privacy

The Oregon House unanimously passed Senate Bill 619, the Oregon Consumer Privacy Act. Passage of the bill by such wide margins demonstrates broad bipartisan support for greater privacy protections and sends the bill to the Governor for signing. The bill was developed over the last four years by the Attorney General's Consumer Privacy Task Force, created to answer the call for comprehensive consumer privacy legislation.

Pennsylvania Office of the Attorney General

Leadership of multistate enforcement action against predatory lender

In 2018, the Washington Post reported that Mariner Finance was packing insurance products into its installment loans without consumers' knowledge. The Pennsylvania Attorney General's (AG) office and other AGs opened investigations, sued in 2022, and Mariner moved to dismiss. The multistate lawsuit alleges that Mariner Finance charged consumers for hidden add-on products that consumers either didn't know about or didn't agree to buy. Consumers left Mariner Finance believing they had entered into an agreement to borrow and repay, over time, a certain amount of money. In reality, because of these hidden add-on products, Mariner added hundreds to thousands of dollars to the total amount a consumer owed. The lawsuit includes as plaintiffs four other states: WA, NJ, DC, and OR. On March 22, 2024, another six states moved to intervene as plaintiffs: NY, NC, TN, IL, IN, and WI.

In 2023, the plaintiff states engaged in extensive briefing on the Motion to Dismiss, and Pennsylvania presented oral arguments on behalf of the plaintiffs on October 11, 2023. On January 12, 2024, the court denied Mariner's Motion to Dismiss, and the opinion provided important precedent on several questions under the Consumer Financial Protection Act (CFPA) that had not previously been decided by any court. First, the court rejected Mariner's core argument, that venue was improper because the five plaintiff states chose to sue together in one court rather than in five separate courts. The court held that the general Federal venue provision applies to state actions to enforce the CFPA. Second, the court rejected Mariner's argument that the states cannot enforce the CFPA's prohibition on violating "a Federal consumer financial law," which includes 18 "enumerated consumer laws.

(PA) Bucks County Office of Consumer Protection

Holding companies accountable to their contracts

The consumer protection agency received a large volume of complaints against a local fencing company in 2023. The office interceded to mediate and help consumers get their fencing jobs completed or their money back. A local network news channel featured a story about the business, which resulted in many more consumers contacting the office for assistance.

Consumers provided, in some cases, 50% deposits on expensive vinyl fencing projects. Consumers were given an estimate of how long the installation would take on their contract and verbally told a timeframe of when the company would be able to begin their installation. However, those dates came and went with no installation and sporadic communication from the business.

The business owner was made aware by the Office of Consumer Protection that these consumers were entitled to make a written demand for a refund within 10 business days of their written notice since 45 days had lapsed since work was to begin and no work had been completed. If the contractor was unable or unwilling to comply with these requests the company could have been subject to contractor fraud charges. After the Office of Consumer Protection became involved, the business was receptive to getting the contracted work completed in a timely fashion, and all but three consumers, had their work completed or refunded. The total amount recovered for consumers totaled \$17,668.00.

South Carolina Department of Consumer Affairs

Five years of protecting homeowners

The South Carolina “Homeowners Association Act” (S.C. Code Ann. § 27-30-340) became law in May 2018. It requires our office to collect specific data from complaints involving homeowners associations (HOA). The office reports this data annually to the Governor, General Assembly, and the public.

In celebration of the law’s fifth anniversary, we released a compilation of the HOA complaint data received from June 1, 2018 - December 31, 2022. Highlights of the report include:

- Each year the Department receives more HOA complaints than the year prior. In 2019, the first full year of collection, we received 212 complaints. In 2022 that number grew to 331.
- Complaints came from 27 of South Carolina’s 46 counties.
- The top complaint concern was a failure to adhere to and/or enforce covenants and bylaws (24.32%).
- State agency oversight was the number one recommendation for enforcing governing documents (28.11%).

“We fielded over **18,000 calls** and nearly **10,000 emails** from consumers in 2023.”

Tennessee Office of the Attorney General

Making daily connections with consumers

The Attorney General’s office fielded over 18,000 calls to the mainline phone for the Consumer Affairs Division and nearly 10,000 emails to the division’s main email address in 2023. Much of the educational work is encompassed in inquiries handled each day.

While the office cannot give legal advice, the staff lends significant assistance through these interactions by providing scam prevention materials, legal resources, direction to other agencies, etc.

Utah Division of Consumer Protection

\$17 million penalty for fake “wealth creation” scheme

The office’s most notable success in Fiscal Year 2023 was settling the Nudge, Inc. case, which was a joint investigation by the Utah Division of Consumer Protection and the FTC. Utah-based Nudge (aka Response Marketing) offered real estate investment seminars around the United States. Each seminar encouraged consumers to purchase further seminars. No matter how much consumers spent on these services, they did not become successful real estate investors, as was promised.

The principals who operated Nudge (Brandon Lewis, Ryan Poelman, Phillip Smith, Shawn Finnegan, and Clint Sanderson) will pay \$15 million in restitution to consumers and are banned for life from selling or promoting "wealth creation" products and services. Real estate TV celebrities Scott Yancey and Dean Graziosi will pay a total of \$1.7 million in penalties for their involvement in promoting the scheme.

(VA) Fairfax County Department of Cable and Consumer Services

Educating consumers as a part of National Consumer Protection Week

Fairfax County Department of Cable and Consumer Services developed and implemented Fairfax County Consumer Affairs Day during National Consumer Protection Week. The event was held at the Fairfax County Government Center Board Auditorium. Exhibit booths from various agencies were set up outside the auditorium for consumers to receive educational information. Presentations were given on Consumer Affairs 101, Tenants and Landlords Rights and Responsibilities, Funeral Planning, and Scams and How to Protect Yourself. The event was streamed live on Fairfax County Government Channel 16. In addition, the brochure that provides an overview of the services of Consumer Affairs was translated into the top five languages spoken in Fairfax County. The overall National Consumer Protection Week events were a success in reaching consumers and providing valuable educational information.

Wisconsin Department of Agriculture, Trade and Consumer Protection

Leadership of multi-agency prosecution of a fraudulent contractor

In 2023, the department concluded a two year investigation involving a home improvement contractor who had taken down payments and failed to start and/or

complete projects. In total, the department received 126 complaints and through the investigatory process identified 10 more. Early in the investigation, the department was able to negotiate reimbursement for 14 harmed consumers totaling \$75,868.85. However, those successes were not sustained and the contractor stopped communicating with the department altogether. Meanwhile, the contractor continued to take down payments from new consumers and failed to perform any work.

As a result of this investigation, a request for prosecution was sent to district attorneys in 14 different counties where consumers had been victimized. The department also collaborated with the Federal Bureau of Investigation, Internal Revenue Service, United States Attorney's Office, and two Wisconsin Sheriff's Departments to seek enforcement action and restitution for many additional victims. The monetary loss to victims was found to total \$590,447.00.

The contractor was successfully prosecuted and sentenced to 7 years in federal prison for fraud and money laundering. His business partner was sentenced to 2 years and 9 months in federal prison for her role in the crimes. A restitution hearing is forthcoming with hopes of obtaining full reimbursement for all victims.

APPENDIX A

Agencies Participating in the 2023 CFA Annual Consumer Complaint Survey

Arkansas

Arkansas Office of the Attorney General
<https://arkansasag.gov/>

California

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

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

Colorado

Colorado Department of Law
<https://coag.gov/>

Connecticut

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

District of Columbia

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

Florida

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

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

Hillsborough County Consumer Protection Services

<https://www.hillsboroughcounty.org/government/departments/consumer>

Palm Beach County of Consumer Protection

<https://discover.pbcgov.org/publicsafety/consumeraffairs/Pages/default.aspx>

Pinellas County Consumer Protection

<https://pinellas.gov/department/consumer-protection/>

Georgia

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

Illinois

Illinois Office of the Attorney General
<https://www.illinoisattorneygeneral.gov/>

Iowa

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

Maryland

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

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

Missouri

Missouri Office of the Attorney General
<https://ago.mo.gov/>

APPENDIX A

Agencies Participating in the 2023 CFA Annual Consumer Complaint Survey

New Jersey

**New Jersey Office of the Attorney General
Division of Consumer Affairs**
<https://www.njoag.gov/>

New York

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

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

North Carolina

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

Ohio

Ohio Attorney General's Office
<https://www.ohioattorneygeneral.gov/about-ag/service-divisions/consumer-protection>

**Cuyahoga County Department of Consumer
Affairs**
<http://www.cuyahogacounty.gov/consumeraffairs>

Oregon

**Oregon Department of Justice, Consumer
Protection Section**
www.oregonconsumer.gov

Pennsylvania

**Pennsylvania Attorney General's Office,
Bureau of Consumer Protection**
<https://www.attorneygeneral.gov/public-protection-division/bureau-consumer-protection/>

Bucks County Consumer Protection
<https://www.buckscounty.gov/360/Consumer-Protection-Weights-Measures>

South Carolina

**South Carolina Department of Consumer
Affairs**
<https://consumer.sc.gov/>

Tennessee

**Tennessee Attorney General's Office,
Division of Consumer Affairs**
www.tn.gov/consumer

Utah

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

Vermont

Vermont Office of the Attorney General
<https://ago.vermont.gov/>

Virginia

**Fairfax County Department of Cable and
Consumer Services**
<https://www.fairfaxcounty.gov/cableconsumer/csd/consumer>

Washington

Washington Office of the Attorney General
<https://www.atg.wa.gov/>

Wisconsin

**Department of Agriculture, Trade and
Consumer Protection, Bureau of Consumer
Protection**
<https://datcp.wi.gov/Pages/Homepage.aspx>

APPENDIX B

Methodology

This report is based on a survey issued to state and local consumer agencies and research about the top ten consumer complaint categories published by state consumer agencies. These agencies handle a wide range of consumer issues, and this report is intended to provide insight into the complaints that consumers made to them in 2023. CFA did not survey federal agencies, nor did it conduct a random survey of consumers. Therefore, this report does not purport to measure all the problems that consumers encountered in the marketplace last year.

The survey was conducted in February 2024 and covers a one-year period, January through December 2023. The "top ten" categories are based on information from 33 agencies in 24 states. Twenty-five agencies from 17 states participated in the survey, and an additional eight⁵ states did not respond to the survey but published their top ten complaint categories and complaint data (see FN1) on their website. Of these agencies, 22 are state agencies, including the District of Columbia; 9 are county; one is city; and one, San Francisco, is both a city and a county. Additionally, all are government agencies. CFA asked agencies for the top ten consumer complaints as categorized by that agency. Since there is no uniform set of complaint categories that all agencies use, we grouped their responses under general subject headings as necessary. CFA asked agencies to provide real life examples of complaints by consumers that pertain to the topics in their "top ten" categories. Not all agencies provided complaints, and some agencies provided the actual language of the complaint used by consumers. CFA edited these complaints to reflect a consistent voice and format in an effort to make the report easier to read.

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

- [5] **Colorado:** <https://coag.gov/press-releases/attorney-general-phil-weiser-top-consumer-complaints-2023-3-4-24/>
Illinois: <https://www.illinoisattorneygeneral.gov/news/story/attorney-general-raoul-recognizes-national-consumer-protection-week-announces-top-10-list-of-consumer-complaints#:~:text=CATEGORY,7>
Iowa: <https://www.iowaattorneygeneral.gov/newsroom/attorney-general-brenna-bird-announces-top-ten-consumer-complaints-of-2023>
Ohio: <https://www.ohioattorneygeneral.gov/Files/Reports/Annual-Reports/2023-annual-report>
New Jersey: <https://www.njconsumeraffairs.gov/>
Missouri: <https://ago.mo.gov/attorney-general-bailey-announces-missourians-top-consumer-complaints-in-2023/>
Vermont: <https://ago.vermont.gov/blog/2024/03/04/attorney-general-clark-marks-consumer-protection-week-top-ten-consumer-complaints-2023>
Washington: <https://www.atg.wa.gov/top-consumer-complaints>