GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE ATTORNEY GENERAL

Mayor’s 5th Annual Senior Symposium
Jimmy Rock
Philip Ziperman
Office of Consumer Protection

June 20, 2017
Office of Consumer Protection:

- Mediates Consumer Complaints
- Brings Enforcement Actions
  - Local
  - Multi-state
- Drafts/Supports Consumer-Facing Legislation
- Public Outreach and Education
It is unlawful to:

- represent that goods or services have a source, sponsorship, approval, certification, accessories, characteristics, ingredients, uses, benefits, or quantities that they do not have;
- represent that goods or services are of particular standard, quality, grade, style, or model, if in fact they are of another;
- make a misrepresentation as to a material fact which has a tendency to mislead; or
- fail to state a material fact if such failure tends to mislead.
Injunctions – Mandatory and Prohibitory
Order Restitution or Damages
Civil Penalties
Attorneys’ Fees and Costs
Areas of Concern / Trends

- Debt Collection
- Financial Services
- Housing
- Education
- "Sharing" Economy
- Privacy
- Pharmaceuticals
- Not-For-Profit/Charities

**Debt Collection**
- Abusive practices
- Internet loans

**Financial Services**
- For-profit colleges
- Debt “rescue”

**Housing**
- Mortgage servicing and foreclosure
- Illegal construction

**Privacy**
- Personal data breaches
- Data security legislation

**"Sharing" Economy**
- Travel
- Property rentals

**Pharmaceuticals**
- Off-label marketing
- Drug safety

**Not-For-Profit/Charities**
- Abusive practices
- Internet loans

**Areas of Concern / Trends**
- Mortgage servicing and foreclosure
- Illegal construction
- Personal data breaches
- Data security legislation
- Off-label marketing
- Drug safety
- For-profit colleges
- Debt “rescue”
**DC OAG Cases**

*District of Columbia v. Education Management Corporation*, involved a multistate settlement with EDMC, a large for-profit school. Primary relief included debt forgiveness to students and new admissions standards.

Settlement with FCO for improperly collecting attorneys fees and court costs. Settlement with CashCall for improperly collecting usurious interest from consumers. Lawsuit against Student Aid Center.

In *D.C. v. Handy Technologies*, OAG sued a sharing economy company whose platform was used to purchase cleaning services. The lawsuit alleges consumers were misled concerning the background checking of cleaners and the negative option enrollment into cleaning plans.

Notario Fraud lawsuit pending in Superior Court against corporation and owner who falsely held themselves as able to provide legal services and immigration services.
Mediates general consumer complaints

- To file a complaint by mail, send the complaint to:
  Office of Consumer Protection
  441 4th Street, NW
  Washington, DC 20001
- Attach copies of all relevant documents (keep the originals)
- To file a complaint over the Internet:
  • Go to www.oag.dc.gov.
  • Send email to consumer.protection@dc.gov.

OCP generally will

- Contact the business and try to resolve your concern in a manner that is acceptable to both parties; or
- Refer your complaint to an appropriate agency that can address the concern.
Other Consumer Agencies

- MPD, Financial Crimes & Fraud Unit – (202) 727-4159
- Department of Consumer Regulatory Affairs - (202) 442-8676
- Office of Human Rights – (202) 727-4559
- Office of the People’s Counsel (OPC) – (202) 727-3071
- Landlord Tenant Resource Center – (202) 508-1710

Consumer legal advice:

- DC Bar Pro Bono Program – (202) 737-4700
- Legal Aid Society - (202) 628-1161
- Neighborhood Legal Services – (202) 832-6577
Complaining Effectively

- Keep records related to the transaction.
- Report the problem to the business as soon as you discover it.
- If dissatisfied with the business’ response, go up the business’ chain of command with your problem.
- Keep notes of any discussions, including dates and times.
- Send a letter explaining the problem to the business.
- If you are dissatisfied with the business’ response to the problem, complain to the Consumer Protection Division.
Private Cause of Action

- You can sue a business for violating the Consumer Protection Procedures Act or raise the business’ violation of the Consumer Protection Procedures Act as a counter-claim in a suit that the business brings against you.
- In order to sue the business, you must have been damaged by the violation.
- You can recover treble damages.
- If you hire an attorney and you win your suit, you can recover reasonable attorney’s fees.
Purchase of Goods

- Defective Goods
  - Goods are covered by warranties
    - Express – a warranty that specifies what is covered and what the merchant will do if the goods are defective
    - Implied – all consumer goods in the District are warranted to be fit for the ordinary purpose for which they are used

- Returns of non defective merchandise
  - There's no right to cancel purchases and receive refunds. Whether you can receive a refund is dependent on the retailer's return and refund policies.
Housing Issues

➢ Prospective Home Buyers
  • Check for information about permits, inspections, violations, etc., using the Property Information Verification System (PIVS) available at http://pivs.dcra.dc.gov/ or contact DCRA at (202) 442-8947.

➢ Vacant Buildings
  • If you believe a building is vacant and would like to report it, please call 311 or email vacantbuildings@dc.gov.

➢ Illegal Construction
  • Report illegal construction by calling DCRA at 202-442-STOP (7867) or call 311 during non-business hours and you will be routed to an on-duty inspector.
Rental Housing and Security Deposits

- You are entitled to a copy of the written lease from your landlord.

- The landlord must maintain your apartment by keeping the premises safe and secure and free of pests and rodents, keeping the structure and facilities of the building in good repair, and ensuring adequate heat, lighting, and ventilation.
Rental Housing and Security Deposits (cont.)

- The landlord may not retaliate against you (e.g., eviction, increasing the rent, or harassing you) for exercising any right of tenancy.

- Consumers can obtain a copy of DC’s “Tenant Bill of Rights” by going to: http://ota.dc.gov/publication/tenant-bill-rights
Rental Housing and Security Deposits (cont.)

- Security Deposits are limited to one month’s rent.
- Within 45 days after you vacate the apartment, the landlord must either return your security deposit with interest, or provide you with written notice that the security deposit will be used to defray damages.
  - Landlord may deduct for damages in excess of ordinary wear and tear.
  - Duty to mitigate – must seek to re-let premises.
Credit Card Protection

- A caller pretends to represent your credit card company, offers to sell you fraud protection.
- They tell you computer hackers can access your credit info and charge thousands of dollars, which you are liable for.
- **False.** Consumers who timely report fraud are only liable for a maximum of $50.
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Prizes/Sales Promotions

- You receive a flyer stating you may have won the “Grand Prize,” but you need to pay a processing fee or make a purchase to find out what you have won.

- Under DC law you cannot be required to pay a fee or purchase goods in order to participate in a sales promotion effort.
Charities

- A person comes to your door and asks for a donation to a charity that must be paid to them.
- Don’t be pressured into giving.
- If the organization refuses to send you written information or uses high pressure tactics to get you to pay right now, it is probably a scam.
- Research the charity online at Better Business Bureau’s Wise Giving Alliance
  www.bbb.org/charity/
Imposter Scams

- **IRS Imposter Scam** – Caller claims you owe back taxes and you need to pay them right away.

- **Tech Support Scam** – Caller says they are from Microsoft and there is a problem with your computer.

- **Family Emergency Scam** – You get an email from a relative who is stuck in a foreign country.
You receive an e-mail or a phone call supposedly from your bank, a government agency, credit card company or website asking for personal info such as your SSN, bank account number, PIN and other private data.

This is known as “phishing” and can lead to substantial damage/problems for you such as financial loss, ruined credit and identity theft.

Do not provide this information over the phone or internet. Always check with financial institution.
Identity Theft

- When somebody uses your name, SSN, bank data or any other private information to commit fraud, it is called identity theft.

- You should suspect identity theft if you:
  - Receive a letter from a bank or creditor confirming a change of address even though you haven’t moved.
  - Receive a letter stating you have been approved/denied credit for which you never applied.
  - Do not recognize charges on your credit card.
To reduce your vulnerability of becoming a victim of ID theft:

- Don’t carry your SSN in your wallet; only give out your SSN when it is absolutely necessary.
- Don’t leave personal information with others.
- Be careful with your mail when sending or receiving valuable personal information.
- Shred all bills or other documents that contain your personal information.
- Do not download attachments to emails unless you recognize the sender.
Identity Theft (cont.)

- Call the Consumer Hotline at (202) 442-9828

- District residents are entitled to one free copies of their credit reports each year.

- You can request copies of your credit report by either requesting it a www.annualcreditreport.com or calling the three major credit reporting bureaus:
  - Equifax: 1-800-685-1111
  - Experian: 1-888-397-3742
  - Trans Union: 1-877-322-8228
A stranger knocks on your door and offers to do a free inspection of your house or tries to sell you the same services that he just performed for a neighbor.

Check with DCRA to make sure they are licensed.

- Electrical, plumbing, and home improvement contractors must be licensed to work in the District of Columbia.

If the sale occurs inside your home, you have three business days to cancel in writing.

Try and avoid a contractor who seeks to be paid in full up front; try to negotiate to pay a deposit of no more than one-third.
Car Purchases

- No “cooling-off” period.

- When buying a car from a private seller, in order to register and title the car in D.C., you will need:
  - Verification of the odometer reading
  - A bill of sale from the seller for your records.
  - A vehicle inspection, if the inspection is not current.
  - Car insurance coverage for the car.

- If leasing a car, make sure you consider:
  - Up-front payments
  - Maintenance and repair costs
  - Penalties
  - End-of-lease costs
Car Purchases – Lemon Law

- Defect must occur within two years of purchase or before the vehicle is driven 18,000 miles, whichever date is earlier.

- Reasonable number of repair attempts by an authorized dealer.
  - A non-safety-related problem that continues after 4 or more attempts to repair.
  - A safety-related problem that creates a risk of fire, explosion, or is otherwise life-threatening, and continues after one or more attempts to repair have failed.
  - A vehicle that has been out of service by reason of repair of any defects for a cumulative total of 30 days or more.

- Dealer must either replace the vehicle or refund your purchase price, less a reasonable amount for your use and normal wear and tear.
To reduce telemarketing calls, you may place your name on the FTC’s Do Not Call Registry by calling 1-888-382-1222 or visiting www.donotcall.gov.

Ask unwanted callers to place you on their do-not-call lists.

To eliminate pre-approved credit offers you may call 1-888-5-OPTOUT.

To stop junk mail call (212) 768-7277 or register online at www.dmachoice.org.
Many scammers ask consumers to send money by wire transfer because it is hard to recover your money.

Never use money (wire) transfers to send money to people or companies you don’t know.

It is always better to make payments with a credit card if you are financially able to do so.

Be wary of deposed third-world leaders or relatives in need during unannounced trips to foreign countries.

Don’t trust a company that sends you a check – even a bank or cashier’s check – and asks you to wire funds back after you deposit the check.
If you owe money to a creditor, a debt collector may contact you seeking payment. Even if attempting to collect a debt that you do owe, a debt collector may not:

- Harass you with excessive phone calls, calls outside the hours of 8 a.m. to 9 p.m., obscene language, or threats of arrest.
- Reveal your identity to anyone other than the credit reporting agencies.
- Make false claims relating to their identity or the amount of debt that you owe.
- Collect any interest or fee not authorized by the contract creating the debt.
As a consumer, you have the right to:

- Make a written request for a validation of your debt.
- Specify towards which debt your payment is being made, if you owe multiple debts.
- Make a written request stating that you do not wish to be contacted. After such a request, the collector may not contact you except to let you know that the collector or the creditor intend to take a specific action, like filing a lawsuit.

If you are sued for a debt, be sure to respond by the date specified in the court papers.
Health Care

- **Alternative Medicine**: A product advertised to be “natural” is not necessarily safe or effective. Talk to your doctor to learn more about an advertised product or treatment.

- **Herbal or Dietary Supplements** can be sold without prior approval or testing by any government agency.

- **Hearing Aid Dealers** must be registered with the Department of Consumer and Regulatory Affairs.
  - You cannot be fit with and sold hearing aids unless you have undergone evaluation and testing by an otolaryngologist within the last three months.
  - You may cancel your purchase within thirty days of the sale and obtain a refund of the full purchase price less an amount up to 5% plus the cost of an ear mold.
**Medicare Part D:** Do not purchase Medicare Part D prescription drug coverage in response to telemarketing calls, emails or texts, door-to-door solicitations, or other face-to-face contacts, unless you have contacted the seller first.

**Health Discount Cards**
- Are not insurance
- Are not accepted by many providers

**Contact Lenses:** State and Federal law gives you the right to obtain your contact lens prescription so you can buy replacement lenses from whomever you choose.
Top Ten Complaints

- Identity Theft
- Debt Collection
- Imposter Scams
- Telephone and Mobile Services
- Banks and Lenders
- Prizes, Sweepstakes and Lotteries
- Auto-Related Complaints
- Shop-At-Home and Catalog Sales
- Television and Electronic Media
- Internet Services
Thank you

Office of the Attorney General for the District of Columbia
Office of Consumer Protection
441 Fourth Street, N.W.
Washington, D.C. 20001
(202) 442-9828