



MONTGOMERY COUNTY OFFICE OF CONSUMER PROTECTION

# ANNUAL REPORT

FISCAL YEAR 2025



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# MESSAGE FROM THE DIRECTOR

As we reflect on the past year, I'm proud to present this annual report and highlight the meaningful work carried out by the Montgomery County Office of Consumer Protection (OCP). Every day, our dedicated team works to ensure that residents are informed, empowered, and protected in an increasingly complex marketplace.

In the past year, we received over 1,000 consumer complaints and inquiries, each one representing a person or family seeking guidance, resolution, or justice. From addressing financial fraud and contract disputes to protecting older adults from scams, our work continues to evolve to meet the needs of our community.

For many decades, OCP has licensed and enforced the rules for towing vehicles from public property. Maintaining fair and balanced laws and procedures for towing firms and consumers is difficult. Ten percent of the complaints filed this year involve towing. In prior years, non-consensual towing complaints have been OCP's number one complaint and have been the subject of national news and a class action lawsuit.

During the last two years, OCP has educated towing firms, property owners, and consumers on the rules regarding posting signs, public notices, maximum rates, disabled consumers, vehicle redemption, and storage.

Unfortunately, lobbyists representing out-of-state investors promoted unfair and deceptive changes to the laws in Annapolis, which would have disrupted the critical balance in Montgomery County. This year, OCP recovered essential court decisions and testified at the hearings, successfully working with Montgomery County's Office of Intergovernmental

Relations and other consumer organizations to protect consumers and maintain this necessary balance. Our investigators will continue to educate towing firms, property owners, and consumers to ensure that our marketplace will be where we all want to live and drive.

We also focused on prevention and education, expanding our outreach efforts to reach more residents where they are – online, in person, and through partnerships with local organizations. Our team hosted or participated in 22 community events and educational sessions, launched our Consumer Connection podcast, and hosted presentations on topics ranging from scam awareness to tenant rights.

Behind every statistic is a story—a resident who avoided losing thousands of dollars, a senior who recognized a scam in time, or a business owner who resolved a complaint and improved their practices. These outcomes drive our work and remind us why consumer protection matters.

None of this would be possible without the passion and professionalism of our staff, the collaboration of County departments and partner organizations, and the trust placed in us by the people we serve. I'm deeply grateful to everyone who contributes to our mission.

As we look ahead, we remain committed to strengthening our services, increasing public awareness, and adapting to emerging consumer challenges. Together, we will continue to foster a fairer, more transparent marketplace for all Montgomery County residents.

Thank you for your continued support.



**ERIC S. FRIEDMAN**  
DIRECTOR



# NOTEABLE ACHIEVEMENTS

## Maryland Auto Owners Protected: Harmful Lien Bill Defeated

Successfully collaborated with the Office of Intergovernmental Relations (OIG) to again defeat a Bill in Annapolis that would have created a Statutory Lien / Possessory Lien, which would have significantly imposed financial and unfair hardship against automobile owners in Maryland. Issues regarding predatory towing practices in Montgomery County continue to generate consumer protection violations.



## Two-Year Investigation Uncovers Multi-Million Dollar Home Improvement Scam in Maryland

Completed a two-year investigation regarding a home improvement contractor who fraudulently stole several million dollars from consumers in Maryland. The Office of Consumer Protection initiated efforts to obtain and coordinate communication and information with numerous county, state, and federal agencies. The history of the investigations was the lead local news report and serves to help educate consumers to avoid similar scams.



## OCP Secures Tenant Refunds and Legislative Action on Deceptive Water Billing Practices

Coordinated with and assisted the Department of Housing and Community Affairs in investigating new complaints received by DHCA's division, Office of Landlord / Tenant Affairs. OCP gathered extensive information regarding alleged practices used by landlords to collect water bills from tenants deceptively. OCP successfully negotiated partial refunds for tenants in a 500-unit apartment. OCP prepared and distributed an extensive report that provided legislative recommendations to address these issues.





# NOTEABLE ACHIEVEMENTS

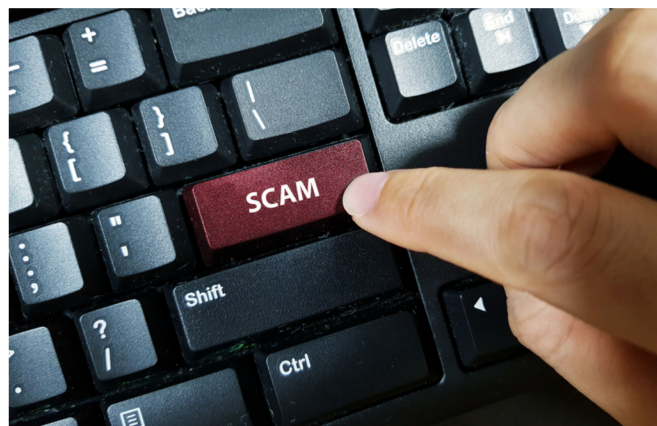
## OCP's PREP Program Enhances Compliance and Consumer Protection in Home Sales

Established the Permit Review and Early Protection (PREP) program to proactively identify unregistered home sellers through in-depth permit reviews. This initiative aims to ensure compliance with regulations and enhance consumer protection. The PREP program involves a detailed examination of permits to detect unregistered sellers early in the process. Additionally, it provides educational resources and guidance to these sellers to help them understand and adhere to legal requirements.



## Established a Scams Workgroup to Combat Emerging Fraud Tactics

Established a Scams Workgroup composed of OCP staff to enhance consumer education and awareness of emerging fraud tactics. The group focuses on discussing and developing educational resources to inform residents about new scams. This initiative equips residents with the knowledge and resources to recognize, prevent, and respond to scams effectively.



## OCP's Consumer Connection Podcast Empowers Residents with Vital Consumer Knowledge

Launched the Consumer Connection podcast to inform residents about scams, consumer rights, and smart purchasing decisions through expert discussions. Since its inception, the podcast has released 7 episodes and garnered 1,383 downloads. Topics covered include AI scams, cryptocurrency scams, home improvement fraud, and more. The podcast aims to provide valuable insights and practical advice, helping residents stay informed and protected against various consumer threats.



# CONSUMER TRENDS

Over the past year, our office has observed significant shifts in consumer behavior and an alarming rise in fraudulent activities. Here's a detailed look at what we've been seeing:



## Financial Scams

With the rise of cryptocurrency and the spread of payment apps, scammers have more tools than ever to steal people's money. Once stolen, these funds are often impossible to trace or recover. The best way to prevent scams is to educate consumers about how these scammers operate and what signs to watch for. One of the most important responsibilities of OCP investigators is to teach consumers this every day.



## Home Improvement

OCP receives numerous complaints each year about home improvement projects that go wrong. Often, the contractors involved are not licensed with the Maryland Home Improvement Commission. As a result, work may be left unfinished or poorly done. OCP has two investigators who specialize in home improvements and new home constructions, and their expertise is essential in helping protect consumers' most valuable asset – their homes.



## Unlicensed Paving Contractors

Warm weather always leads to more door-to-door salespeople. OCP receives many complaints about scammers who offer driveway paving or roofing services door-to-door. They falsely claim they have already done work in the neighborhood and have leftover supplies. They often take large sums of money, pressuring homeowners to pay in cash or through a payment app. Frequently, they disappear with the money without doing any work, do poor-quality work, or cause damage to the property, and then demand more money to fix it. Feeling pressured, homeowners often pay even more, but the scammers take the money and run. OCP is actively working with the police to catch these bad actors who target trusting consumers.



## Towing Complaints

One of the most common complaint categories received by OCP pertains to towing. Each year, OCP receives a significant number of complaints from individuals who feel that their cars were towed unfairly. Our investigators thoroughly examine each complaint to determine if the towing rules were followed. OCP assists by securing refunds for the towing fees paid by those affected while correcting business practices to prevent future issues.

# OPERATIONS

## Mission of the Office of Consumer Protection

The Office of Consumer Protection is committed to fostering an equitable and inclusive Montgomery County by ensuring fairness and trust in the marketplace. We protect consumers from unfair and deceptive practices, help resolve disputes and provide education to empower residents and business to make informed decisions. Activities include complaint resolution, business registration, law enforcement, education, legislation, advocacy, and outreach to vulnerable consumers.

## Budget Overview

The total approved FY25 Operating Budget for the Office of Consumer Protection was \$2,839,549, an increase of \$272,755 or 10.63 percent from the FY24 Approved Budget of \$2,566,794. Personnel Costs comprise 95.42 percent of the budget for 19 full-time positions and no part-time positions. Operating Expenses account for the remaining 4.58 percent of the FY25 budget.



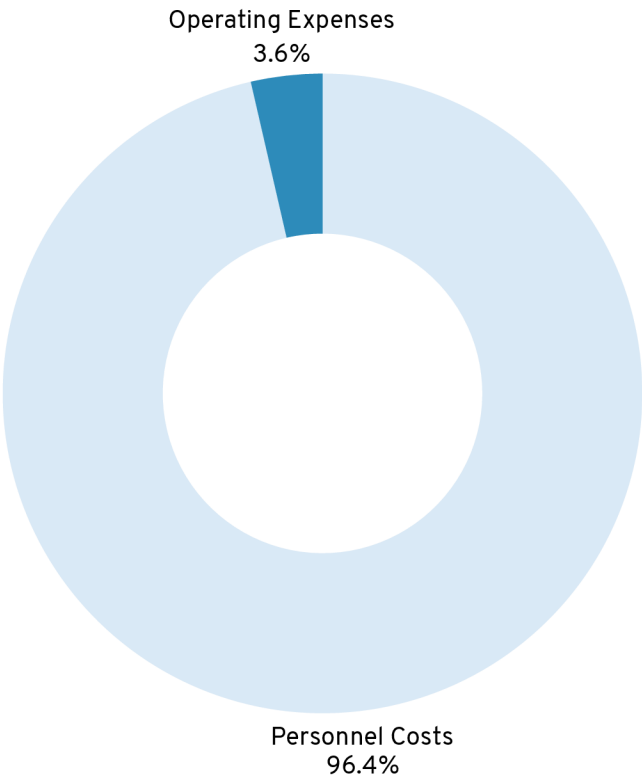
**\$2.8M**

FY25 approved operating budget



**19.0**

Full-time employees





# BUSINESS EDUCATION AND REGISTRATION

The Business Education and Registration (BEAR) Unit’s mission is to help businesses succeed in Montgomery County by providing accessible and comprehensive education and registration services. The BEAR unit promotes integrity in our marketplace by ensuring compliance with regulations and consumer protection laws. Through collaboration and innovative solutions, the BEAR Unit builds strong partnerships with businesses and the community to foster a thriving and equitable economy.

In FY25, the BEAR Unit made substantial progress toward its objectives. Notably, 19% of business registrations (137 in total) were a direct result of targeted business audits and educational initiatives. BEAR staff dedicated over 22 hours to one-on-one educational sessions, assisting businesses to better understand registration requirements. Furthermore, BEAR staff participated in over 52 hours of professional development, enhancing their ability to support businesses throughout Montgomery County.

## Registrations Issued in FY2025

New Home Builders	183
New Home Sellers	38
Property Owners Acting as Contractors	22
Motor Vehicle Repair & Towing	322
Radio, TV, Appliance Repair & Installation	69
Secondhand Personal Property	101
Total	735



**48**

Five-star reviews  
received from consumers



**2,200**

Business audits completed,  
resulting in 137 registrations

# OUTREACH AND EDUCATION

OCP's Outreach and Education team is dedicated to developing and conducting educational programs aimed at increasing consumer awareness about their rights and protecting themselves from scams and fraud.

In addition to investigating and resolving individual consumer complaints, OCP actively educates the public on the rights and responsibilities of both consumers and merchants in the marketplace. As part of this consumer protection education function, our office provides speakers to consumer groups, community organizations, businesses, and other civic associations. Our speakers have extensive experience and knowledge of consumer issues, including regulatory issues, telemarketing scams, home improvements, auto buying and repairs, scams targeting seniors, small businesses, and work-at-home opportunities. To better address the needs of the community, OCP staff members visit schools, aging facilities, businesses, and civic groups both in-person and virtually to make presentations and raise awareness.

OCP frequently participates in community outreach events where we provide handouts and information on scam prevention and how community members can receive assistance from our office.

OCP's outreach initiatives aim to ensure that all Montgomery County consumers, regardless of their background or circumstances, have access to the information and resources they need to protect themselves. By working in partnership with the community, OCP promotes consumer protection and ensures that consumers can make informed decisions about their purchases and financial transactions.



## 22

Events attended and conducted in FY25



## 1,850+

Residents in attendance both in-person and virtual



## OFFICE OF CONSUMER PROTECTION

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