



## Satisfaction Please! (Part 3)

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### Introduction

Many government agencies also try to help people with consumer problems. Some take steps that are intended to prevent consumer problems. Others help consumers get satisfaction in disputes.

### Task

In this lesson, you will learn about some of the government agencies that assist consumers with problems. You will then create a plan for remedying a problem that includes both private and public sources of assistance.



### Process

Unfortunately, there are some sellers who have no intention of delivering what they promise. They misrepresent what they are selling, or otherwise try to trick you out of your money. Laws and regulations exist that specify how sellers must treat consumers. When a business fails to follow these rules, a government agency may get involved.

### Federal Agencies

Federal laws require consumers to be treated honestly. There are also federal laws that require businesses to give consumers information on the content, care and use of products. When these laws are broken, federal agencies are rarely able to act on behalf of individual consumers, but consumer complaints are used to document the illegal actions. If there are many complaints, the federal agency may force the company to change its practices. In some situations, there is additional action - a court case by the agency, a financial penalty or even (in the case of a criminal conviction) sending the seller to prison.

- [The Federal Trade Commission \(FTC\)](#) is the agency that sets and enforces many of the rules that protect consumers—particularly those concerning fraud, deception and unfair practices in the marketplace. Letters can be sent to the FTC Consumer Response Center, Washington, DC 20580 or you can call toll-free 1-877-FTC-HELP (1-877-382-4357). You can also file complaints electronically: choose the “File a Complaint Online” link. Complaints about e-commerce across international borders can be filed at [www.econsumer.gov](http://www.econsumer.gov).
- Scams that use the mail should be reported to the [U.S. Postal Inspection Service](#). It is illegal to use the mail to misrepresent or steal money.
- If a complaint involves telemarketing or Internet fraud, the [National Fraud Information Center](#) --operated by the nonprofit National Consumers League--will take the complaint and transmit it to the appropriate law enforcement agency.

If you suspect you have a product that poses a safety hazard, you will want to report the problem to the federal agency responsible for the specific product.

- Automobiles: [National Highway Traffic Safety Administration](#)

- Drugs, medical devices: [Food and Drug Administration](#)
- Food: [U.S. Department of Agriculture](#) , [Food and Drug Administration](#)
- Seafood: [Food and Drug Administration](#) , [U.S. Department of Commerce](#)
- Toys, baby and play equipment, household products: [U.S. Consumer Product Safety Commission](#)

There are dozens of other federal agencies that regulate consumer products and services. If you haven't found what you are looking for above, try these three Web sites created by the Federal Government to assist you.

- [Consumer.gov](#) is a gateway to all things federal that are of interest to consumers.
- [Firstgov.gov](#) is an even bigger gateway to all things federal, including phone numbers and addresses of federal agencies. You can even send an [email](#) asking for help identifying the right agency to contact.
- [The Federal Citizen Information Center](#) provides a directory with contact information for agencies that have enforcement and/or consumer complaint handling responsibilities.

Consumers with problems are not charged directly for the help they receive. Of course, we all pay for this help through taxes.

### State and Local Government Organizations

State and local governments also have legal guidelines on how businesses can treat consumers. While the laws vary from place to place, many states have consumer laws concerning the following:

- Consumer credit
- Savings and investments
- Insurance
- Food preparation and storage in public eating places
- Sale of bedding, upholstering and other household goods
- Water sanitation and sewage disposal
- Real estate zoning and restrictions
- Private and public education
- Recreation and travel facilities (for example, swimming pools, beaches, motels)
- Weight and measures for gasoline, food and other goods
- Licensing of service providers

State and local government agencies are more likely than federal agencies to take action on behalf of individual consumers. Some state and local agencies have the authority to take legal action forcing a seller to stop certain practices, to reimburse consumers, to pay penalties or even to send a violator to jail. In other cases, agencies may be limited to trying to convince a seller to voluntarily resolve a problem. At a minimum, these agencies usually provide information about your legal rights and steps you might take to get redress. As with the federal government, the costs of these services are covered through taxes.

**State and Local Consumer Protection Offices:** These government agencies mediate complaints, conduct investigations and prosecute offenders of consumer laws. Some of these offices will follow up on an individual complaint, while others look into cases only when many people file the same complaint.

- **State Regulatory Agencies:** These agencies establish and enforce laws and regulations for select industries including banking, securities, insurance and utilities. Sometimes they also help consumers with problems.
- **State and Local Licensing Agencies:** Doctors, lawyers, home improvement contractors, auto repair shops, debt collectors, and child care providers are among the service providers that are required in some states to register or be licensed. The board or agency that oversees this process may handle complaints and have the authority to take disciplinary action. Your state or local consumer protection office can help you identify the appropriate agency.

Use this [online directory](#) or look for city, county and state government agencies in your local phone book. If the

business you are complaining about is located in another state, try to contact that state's consumer office or ask your own state office to help you contact the right office in the other state.

### Legal Action

After you have tried every other option in the complaint process without success, your last resort is to file a legal suit.

- **Small-claims court:** If your claim is small, you can take your case to small-claims court. Small-claims courts exist in every state. The maximum amount you can claim ranges from \$1,000 to \$5,000. Claims are typically limited to dollar amounts. Requests for repair or replacement are not accepted. An advantage of a small-claims court is that you rarely need an attorney to use the court. In fact, lawyers are not allowed to represent clients in many of these courts. The cost of filing a case is low, usually under \$100 . A judge decides what, if anything, a consumer is owed. Some courts require losers to reimburse winners for court fees.



To start a suit in small-claims court, take all the information you have about the problem to the courthouse. The court clerk will give you the forms to file and tell you how to proceed. Be aware that if you win, the small-claims court does not collect the judgment for you. If the business chooses not to pay what the court says is owed you, you may have to spend more time and money taking additional legal steps to try to collect.

- **Higher courts:** If there is no small claims court where your problem occurred, or if the amount of your claim is greater than the maximum allowed, you have other legal options. You may hire a lawyer and bring action in a higher court. Lawyers charge a fee for their services. If your claim is a large one, it may be worthwhile to hire a lawyer. If you cannot afford to hire a lawyer, check with your local legal aid office. Sometimes a group of consumers have the same complaint against the same business. They get together and file a class-action suit. Rules for bringing class actions vary from state to state.

A judge or jury decides what consumers are owed, if anything. Again, the court does not collect this amount. A winning consumer may have to take additional legal steps if the loser refuses to pay. Use this [worksheet](#) to summarize the information you have just read concerning government organizations that offer assistance with consumer problems.

### Conclusion

Use this [Consumer Sources of Help Worksheet](#) to summarize private and public organizations that offer assistance with consumer problems.

It can take time, persistence and patience to resolve a consumer problem. But the benefit is your satisfaction—feeling good about the fact that a wrong has been fixed and in some cases, knowing that you may have prevented someone else from being harmed. Reputable businesses also like your feedback because you are telling them how they can keep current customers happy and attract new customers.

### Assessment Activity



Congratulations! It is your senior year. You and your classmates have worked very hard to earn money for a class trip. The trip is now just three weeks away, and your class officers are starting to get worried. They haven't received the plane tickets and hotel reservations! They have called the travel agent over and over but get no response. The agent took your money for the trip in advance, and your class is starting to suspect you were scammed. What would you recommend your class officers do next?

Identify three organizations that may be able to assist you with your problem. Use the [Organization Flow Chart](#) to fill in the answers to the questions below. Include at least one outside private organization and one government

agency.

1. How should your class officers contact this organization—by personal visit, telephone or letter?
2. What is the address and phone number for the organization?
3. What is a reasonable request for resolving the problem?
4. What type of help can you expect from the organization?

### Extension Activity

1. Each year, the National Association of Consumer Agency Administrators in partnership with the Consumer Federation of America conducts a [Consumer Compliant Survey](#) to identify the top complaints being filed with local and state consumer protection agencies. Use the Survey Report to answer the questions in the interactive below:



What were the top ten complaint categories identified in the most recent survey?




2. [The Consumer Action Handbook](#) offers dozens of tips how to be a savvy consumer. Create a slide show for a school parent night that features some of this advice.

3. Research a local, state or federal government agency. Develop a slide show or an oral report based on your research. Potential agencies include your local health department, local and state consumer protection organizations, state regulatory agencies, local and state licensing organizations and federal consumer agencies. Contact information for many of these [Federal](#) or [state](#) organizations can be found online. Both of these Internet directories are maintained by the Federal Citizen Information Center.