



Further Actions Need to Be Taken to Improve the State's Consumer Complaint System

at a glance

State agencies have taken actions to implement our recommendations for improving state consumer complaint processing, but more steps should be taken. The Department of Agriculture and Consumer Services and the Office of the Attorney General have reduced the potential for duplication of services by clarifying their respective roles in handling price-gouging complaints. However, responsibility for eligibility screening of Lemon Law complaints remains divided between these two agencies. In addition, the Office of the Attorney General has not adopted our recommendation to refer consumer intake information it receives to the Department of Agriculture and Consumer Services clearinghouse, which can result in consumers needing to provide information about a single incident to two state agencies. We continue to believe that a legislatively created interagency consumer roundtable would help coordinate agency consumer protection activities and that statewide information about consumer complaint activities and costs should be reported to the Legislature.

Scope

In accordance with Florida law, this progress report describes the actions taken by the Legislature, Department of Agriculture and Consumer Services, and Office of the Attorney General in response to our 2006 report that examined the state's system of handling consumer complaints.^{1, 2}

Background

Many Florida government agencies regulate certain businesses and professions, and these agencies often help consumers make informed decisions by providing information such as licensure status and number of times the state has received complaints against a business or professional. In addition, agencies often provide help to consumers who feel they have been aggrieved and are seeking state assistance to resolve a complaint against a business or professional. Agencies also provide information to help Floridians, businesses, and visitors understand the division of responsibility within

¹ Section [11.51\(6\)](#), *F.S.*

² *Florida's System for Handling Consumer Complaints Could Be Improved*, [Report No. 06-51](#), June 2006.

state government and who they should contact to receive these types of assistance.³

Most state agencies receive consumer complaints related to the services they provide and the businesses and professions they regulate. Agencies with regulatory functions receive the bulk of the complaints, while agencies with largely non-regulatory functions handle a smaller number.⁴

Two state agencies—the Department of Agriculture and Consumer Services (DACCS) and the Office of the Attorney General—have a broader role.⁵ In addition to handling consumer complaints related to the businesses and professions it regulates, the Department of Agriculture and Consumer Services, through its Division of Consumer Services, serves as a state clearinghouse for consumer complaints and attempts to informally mediate consumer disputes in areas that do not fall within the jurisdiction of other federal, state, or local agencies. In Fiscal Year 2006-07, the department received 36,383 complaints.

While the Office of the Attorney General does not regulate any business or profession, it fields consumer inquiries and complaints through its Citizen Services Office and advises consumers about which agency to contact to file a formal complaint. The Office of the Attorney General uses this information when examining patterns of economic activity that may indicate the need for formal investigation or action.

In Fiscal Year 2006-07, the office received over 62,000 calls related to consumer complaints. In addition, the office handles complaints related to Florida's Government in the Sunshine laws (Chs. 119 and 286, *Florida Statutes*), and shares responsibility for Lemon Law and price-gouging complaints with the Department of Agriculture and Consumer Services.⁶

Our 2006 review concluded that state agencies have developed generally consistent mechanisms to help consumers resolve complaints. However, our report identified concerns about the complaint resolution process, including the potential for consumer difficulty identifying and contacting the correct agency to handle complaints, state agencies not following statutory provisions for handling consumer complaints, and duplication between the Department of Agriculture and Consumer Services and Office of the Attorney General in eligibility screening for Lemon Law complaints. To address these concerns, we recommended that the state's consumer complaint resolution process be improved by

- reducing duplication among the agencies that handle consumer complaints;
- increasing communication among agencies responsible for consumer complaint resolution; and
- providing the Legislature with enterprise-wide information about agency complaint resolution activities.

³ State-provided information services include a directory assistance service that provides telephone numbers for state agencies and the MyFlorida.com website, which contains links to all state agencies as well as answers to frequently asked questions. In addition, state agency websites frequently contain detailed information on the areas they regulate.

⁴ Our 2006 review noted that state agencies reported receiving 202,356 consumer complaints in Fiscal Year 2004-05, with five agencies receiving the majority: the Department of Agriculture and Consumer Services; Department of Financial Services; Department of Business and Professional Regulation; Office of the Attorney General; and Public Service Commission.

⁵ The Office of the Attorney General is also known as the Department of Legal Affairs.

⁶ The Motor Vehicle Warranty Enforcement Act (Ch. 681, *F.S.*) is commonly known as the Lemon Law.

Current Status ---

State agencies have taken some steps to implement our recommendations to improve state consumer complaint processing, but more steps should be taken. To reduce the potential for duplication, the Department of Agriculture and Consumer Services and the Office of the Attorney General have clarified their roles in cases of price-gouging. However, no steps have been taken to address the other areas of duplication described in our 2006 report or to increase the availability of information about state consumer complaint resolution activities.

Some steps have been taken to reduce duplication

Since the release of our 2006 report, the Department of Agriculture and Consumer Services and the Office of the Attorney General have taken steps to reduce duplication in handling cases by formalizing their coordination of price-gouging efforts. A Memorandum of Understanding, effective in November 2007, delineates the actions each agency will perform during a declared State of Emergency to ensure the efficient processing and handling of price-gouging information and complaints. For example, the memorandum specifies that the agencies will notify each other of cases assigned to their respective staff for investigation in order to help ensure that staff is not duplicating investigative efforts.

However, no changes have been made to address duplication in the Lemon Law program. The Department of Agriculture and Consumer Services and the Office of the Attorney General continue to share statutory responsibility for eligibility screening for Lemon Law arbitration. Our 2006 report concluded that the Legislature should consider placing full responsibility for screening with the Office of the Attorney General.

The Office of the Attorney General reports that it has not pursued changes to the Lemon Law because it did not concur with the recommendation and did not have knowledge that there was any interest on the part of the Legislature in making such a change.⁷ Furthermore, the Department of Agriculture and Consumer Services considers the review of materials during each agency's Lemon Law complaint screening process to be re-verification of information rather than duplication. We continue to believe that if the Legislature consolidated Lemon Law responsibilities under a single agency, it would improve the efficiency of the complaint process.

Moreover, the Office of the Attorney General has not adopted our recommendation to refer all complaint information it receives that is not related to Government in the Sunshine and Lemon Law issues to the Department of Agriculture and Consumer Services for processing through its consumer complaint clearinghouse. As a result, consumers must sometimes provide duplicate information about a single incident to two separate state agencies: the Office of the Attorney General, which collects information that it may use for investigative purposes; and the agency with the authority to resolve the complaint, which the consumer must contact to formally initiate the complaint process. The Office of the Attorney General reports that written correspondence from consumers is generally forwarded to these other agencies, but its information system is unable to interface with external entities to share other complaint information collected during the intake process such as information reported through a telephone call to the office.

⁷ In response to OPPAGA's 2006 report, the office stated that, "The Office of the Attorney General would be pleased to accept full responsibility for screening Lemon Law arbitration requests should such a change be made by the Legislature."

Agencies continue to use an informal process to communicate about consumer complaint service issues

No action has been taken to create a statutory interagency consumer roundtable headed by the Department of Agriculture and Consumer Services. However, department officials report that they are continuing their efforts to pursue support for the consumer roundtable and sharing of information by state agencies. We continue to believe that if the Legislature created such a roundtable to regularly bring together agency representatives and facilitate communication, it would result in improved information about consumer complaints and complaint resolution processes. In the absence of a roundtable, state agencies are communicating informally to share information and attempt to resolve consumer complaint issues. An annual meeting of agencies with consumer protection functions could promote such information sharing.

Statewide information about consumer complaints is not available

The Legislature continues to lack enterprise-wide information about consumer complaint activities such as the number, type, disposition, and agency cost to process. An ongoing barrier to collecting this information is the lack of a simple, uniform, and cost-effective statewide framework for gathering and reporting these data. We continue to believe that convening an interagency roundtable to develop such a reporting framework is feasible and that agencies could report the complaint information collected to the Legislature via their legislative budget requests or through the Department of Agriculture and Consumer Services. Such information would help the Legislature and state agencies identify needed improvements to the complaint resolution process and the state's consumer protection laws. In the absence of a consumer roundtable, the Legislature could direct state agencies to begin compiling and submitting complaint information via their legislative budget requests or through the Department of Agriculture and Consumer Services.

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Florida Monitor: www.oppaga.state.fl.us

Project supervised by Kara Collins-Gomez (850/487-4257)

Project conducted by Susan Munley (850/487-9221)

Gary R. VanLandingham, Ph.D., OPPAGA Director