



## Consumer Protection in the Digital Age

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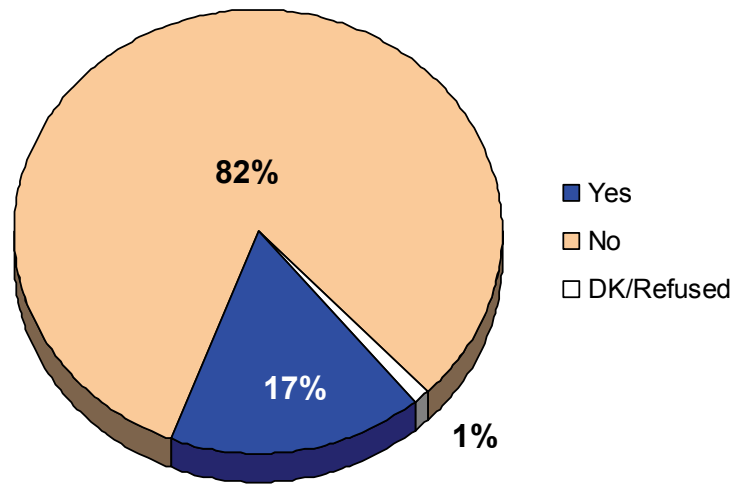
We live in an era of easy plastic. We like the flexibility of buying online. And some of us like to purchase goods and services from telemarketers, as well. We also like the fact that we can access money more easily than in the past. Even though lending practices have tightened up considerably with the housing boom melt-down, mortgage lending has become much more innovative than it was many years ago. We certainly reap benefits from rapid technological advances to our appliances, vehicles, and computers. Computers have also been responsible for expanding our circle of interactions in ways that would have been unimaginable years ago. Moreover, we like the wide array of food products at the food store: asparagus from Peru and fresh fish from Chile.

However, this flexibility and choice in our purchase of commodities and services comes with a price tag and additional risks. At some time in our lives, we, or someone close to us, will experience a questionable consumer

transaction. In some cases, this experience will be little more than an annoyance. In other cases, however, it could have significant long-term fiscal and emotional consequences. Consider these statistics: A survey conducted by the University of Florida's Bureau of Economic and Business Research (BEBR) on consumer attitudes found that almost 17% of Floridians experienced, or knew of someone in their family who was directly affected by, some type of consumer fraud within the past three years (Figure 1).<sup>1</sup>

The Federal Trade Commission (FTC) handled 25,902 complaints from Floridians on fraudulent transactions in 2006, and 17,780 complaints from Floridians on identity theft. According to a report by Florida's Office of Program Policy Analysis & Government Accountability, there were 202,356 complaints filed with 17 state agencies in 2004-2005. State agencies respond to consumer complaints on a wide array of issues including but not limited to the following: identity theft, price gouging,

**Figure 1. Have you or someone in your family been directly affected by some type of consumer fraud here in Florida within the past 3 years?**



Note: Data are averaged from the November 2007, December 2007, and January 2008 surveys.  
 Source: BEBR, UF Survey Research Center.

deceptive and false marketing or trade practices, insurance fraud, telemarketing fraud, predatory mortgage lending, defective vehicle purchases and repairs, contaminated food, and various types of cyber crimes, including child predator cyber crimes. Not all complaints involve fraud but many do. The appendix at the end of the article shows the different types of complaints lodged in Florida, and agencies that are authorized to receive them. This is not an exhaustive list. In some cases, more than one agency shares oversight. In a few cases, complaints must be submitted to a nongovernmental entity because government has no authorized oversight.

As we become more vulnerable to deceptive marketing and sales practices, scams, and fraud, we might want more protection to safeguard against this growing exposure. Yet, additional protection costs money and often involves

more government oversight. What are consumers willing to pay and perhaps give up for more protection? What are the consequences of additional consumer protection on Florida’s economic growth, environment, employees, and businesses? What form should additional protection take, and how should its effectiveness be measured?

The list of consumer protection issues is too numerous to address in one article so we briefly review four areas that have received considerable attention in recent years: identity theft and fraud; health insurance fraud; home repair, home insurance, and mortgage fraud; and price gouging for gasoline and motor vehicle repair fraud. These areas correspond to four basic needs we all have: financial security, health care services, housing, and transportation. We highlight the risks consumers assume in their financial transactions,

health insurance coverage purchases, home improvement arrangements, and fuel purchases and repair services for their cars and trucks. We also highlight the responses of government and businesses in their efforts to reduce some of the risks associated with those transactions.

### **Populations Affected by Consumer Fraud**

Consumer protection strategies typically involve some type of shared responsibility among residential consumers, businesses, and government. Of course, victims and perpetrators of fraud and scams may be individuals or businesses (or both). Government, as we shall see, can also be a victim.

Because Florida has so many elderly residents and is a haven for small businesses, perpetrators of scams and fraud are more likely to find an unsuspecting audience in this state than in many other states. Whereas the population as a whole is projected to increase by 47% from 2000 to 2020, the percentage of elderly Floridians (age 65 and up) is expected to grow by 77%.<sup>2</sup> Good resources for consumer protection are available on the Internet to assist the growing number of elderly in resolving complaints. However, seniors are less likely than younger people to use the Internet. On the other hand, younger people with job and childcare responsibilities may be more likely to go online to pursue remedies for their complaints, but they might feel they lack the time to follow up. And time is

necessary for many such endeavors. For example, identity theft victims spent an average of 330 hours in 2004 to clear their names and their efforts often spanned a period of years.<sup>3</sup>

In addition to seniors, those lacking proficiency in English are vulnerable to scams and fraud. Florida is projected to rank third among states after California and New York in the number of immigrants (1995-2025), so language barriers will certainly affect the collective efforts of government and business to provide consumers effective consumer protections.<sup>4</sup> Consumers, for their part, will need to become more informed about the precautions they should take to protect themselves and the resources available to help them to that end.

Although the elderly, children, recent immigrants, and the developmentally disabled are particularly vulnerable, fraud and deceptive practices affect all segments of Florida's population. None of us is immune. We do not know the aggregate costs of all types of fraud to Floridian residents and businesses. Some costs are direct and others are indirect. But we can be sure the costs are huge. For example, insurance fraud alone is estimated to cost Floridians as much as \$1,400 annually, according to the Florida Department of Financial Services.<sup>5</sup>

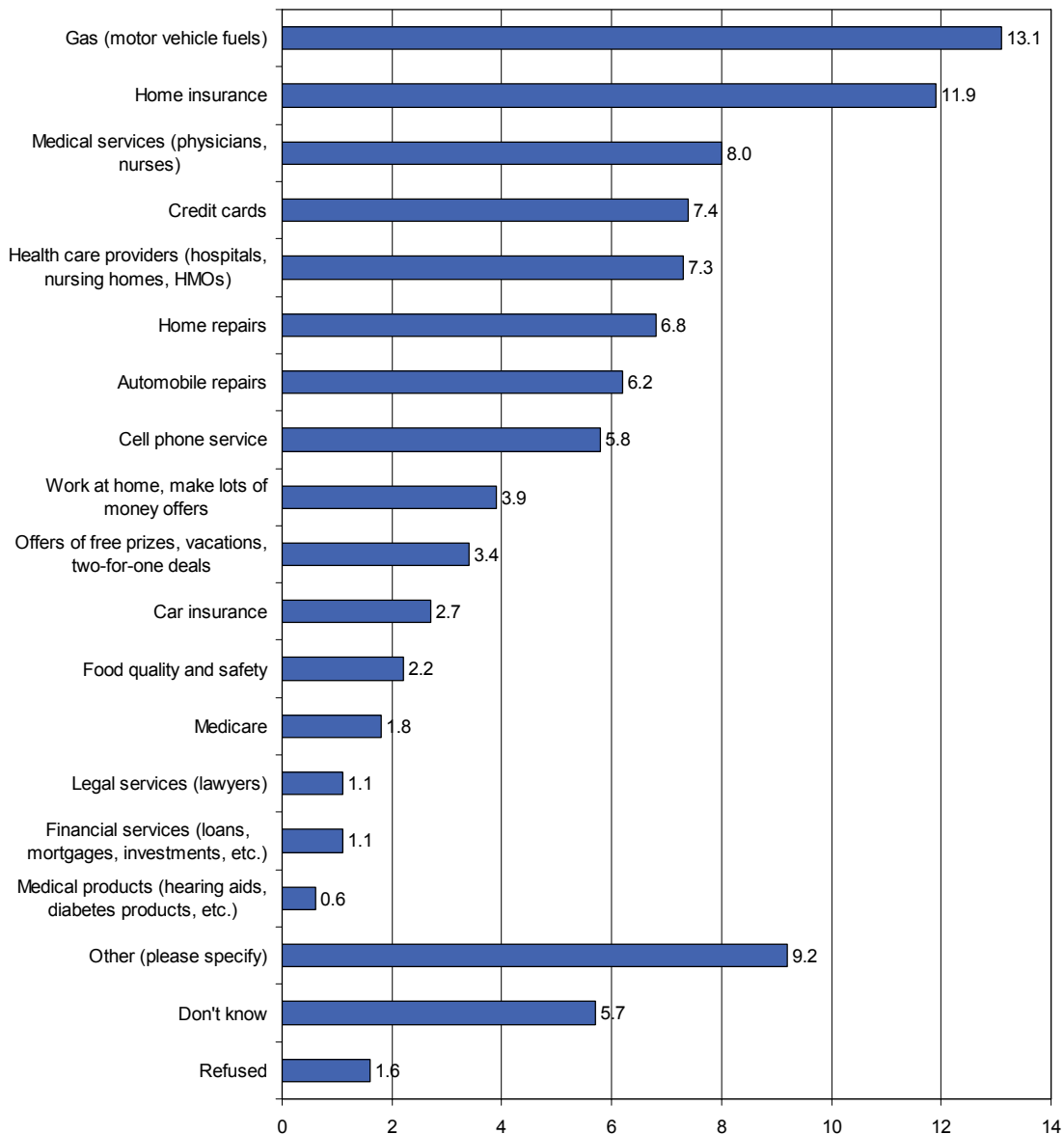
### **Sources for Consumer Complaints**

Certain types of fraud appear to elicit more complaints from consumers than others. When asked about the type of complaints heard the most frequently

from family and friends, BEBR survey respondents identified auto repairs and gas gouging, home insurance and home repairs, the purchase of medical services, and credit cards as the most

prevalent sources. Figure 2 shows their responses averaged over the three-month survey period, November 2007 through January 2008:

**Figure 2. Which of the following do you hear the most customer complaints about from your family and friends?**



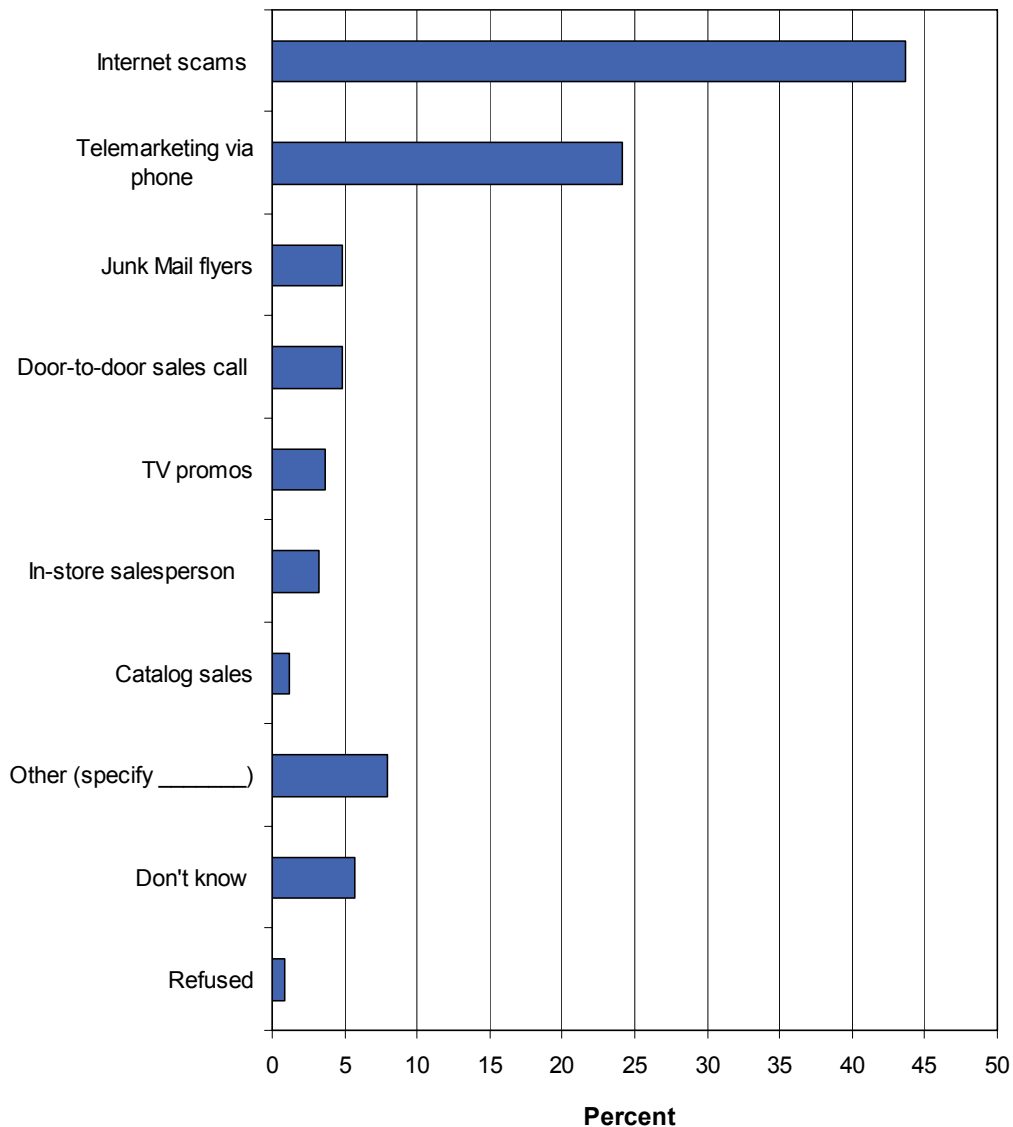
Notes: Data are averaged from the November 2007, December 2007, and January 2008 surveys. Other responses included: All of the Above (1%). The remaining responses included: inconsiderate retail customer service, technical support (e.g., hard to understand foreign telephone support), imported goods, appliance service, utilities, interest rates, and charitable organizations.

Source: BEBR, UF Survey Research Center.

Consumer fraud is perpetrated largely through telemarketing and the Internet. Indeed, Floridians' perceptions of how

such scams are carried out are reflected in Figure 3:

**Figure 3. In your opinion, which of the following ways of contacting consumers is the most likely to result in consumer fraud?**



Note: Data are averaged from the November 2007, December 2007, and January 2008 surveys.

Other responses included: All of the Above (3%). The remaining responses included: e-mail and other online sites (e.g., auction sites); government and human error with records of personal information; other interpersonal interactions (e.g., contractors, salespersons fraudulently filling in credit card billing information); bank, credit card, and check fraud; and other miscellaneous (e.g., nosiness, wallet theft).

Source: BEBR, UF Survey Research Center.

As [Figure 3](#) suggests, almost half the respondents to BEBR's consumer survey considered the Internet to be the most likely venue for consumer fraud. Almost a fourth of the respondents listed telemarketing as a method of perpetrating consumer fraud. Protections against telemarketing deception and fraud are provided through the Florida Telemarketing Act (FS 501.601 *et seq.*) Telemarketers selling goods or services in Florida must be licensed by the Florida Department of Agriculture and Consumer Services. The Department and the Attorney General's Office are statutorily authorized to seek civil penalties of up to \$10,000 for violations. The Department conducts periodic "sweeps" in select counties to enforce the regulatory standards prescribed by the telemarketing law: in FY 2007-2008, 63 audits found over half the audited telemarketers to be in violation.

Internet fraud complaints are referred to the Internet Crime Complaint Center which is a partnership between the FBI and the National White Collar Crime Center. The Attorney General's Office has investigative and enforcement jurisdiction over cyber-based crimes, including identity theft, child predation, and SPAM. Remedies for child predation violations are authorized in the CyberCrimes Against Children Act (Laws of Florida, Ch. 2007-143) and for SPAM violations in the Electronic Mail Communications Act, (FS 668.603), respectively. We turn now to the issue of identity theft.

## Identity Theft

### What is the difference between identity theft and identity fraud?

Identity theft or fraud is one type of consumer violation that is certainly facilitated by improper use of the Internet and telephony and is clearly implicated in much of the credit card-related fraud, which is considered by over 7% of BEBR survey respondents in [Figure 2](#) to be the most frequent frequent source of complaints.

Identity theft is distinct from identity fraud. Identity theft occurs when personal data are accessed without the affected person's permission, whereas identity fraud occurs when that personal information is then misused for financial gain. Equipped with information gained from such items as social security numbers, bank or credit card numbers, passwords, telephone calling card numbers, names, addresses, and other personal identification data, the perpetrator can assume another's identity to take out loans, make credit card purchases, and withdraw funds from accounts. The bad news is that identity fraud affected roughly 8.4 million people in the U.S. in 2006. Victims paid \$587 in out-of-pocket costs for existing account fraud and \$617 for new accounts opened in their names. The average cost per consumer also increased from 2006 to 2007. Young adults, age 18-24, are most likely to become identity fraud victims because they are least likely to shred sensitive materials or install computer protection software. The good news is that total

reported fraud in the nation has been declining annually. Approximately half a million fewer adults were victimized in 2006 than in 2005. And there were at least 300,000 fewer identity theft cases in 2007 than in 2006. Reasons include better consumer education and awareness, more online monitoring of one's accounts and a concerted effort by businesses, working together with consumers, to protect sensitive data used in electronic banking and bill payments.<sup>6</sup>

#### **What are the punishments and who is responsible?**

The punishments for identification fraud set out in Florida statute (FS 817.568) are very prescriptive, and they can be severe depending on the nature and magnitude of the fraud. For example, if the amount of fraud totals \$100,000 or more, the perpetrator would receive a minimum prison sentence of 10 years. The Attorney General's Office and the Federal Trade Commission (FTC) provide victims online information about the steps to be taken in response to identity fraud: report the fraud to the three major credit bureaus; contact the fraud department of each creditor; contact banks and financial institutions; and report the incident to the local police department or sheriff's office which is responsible for investigations. In addition, a report should be filed with the FTC's Identity Theft Clearinghouse, a central repository for identity theft complaints. Another source of assistance is the Florida Department of Law

Enforcement. The State Attorney in the local judicial circuit or the Office of Statewide Prosecution in the Attorney General's Office is responsible for prosecutions of identity theft offenses. The latter prosecutes organized crime that involves the jurisdiction of multiple judicial circuits.

#### **What are the barriers and possible remedies?**

Despite federal and state government outreach efforts and efforts of the AARP and other organizations, consumers still might not know where to turn first when they become victims of identity theft. How should one better educate and inform Floridians about their rights? According to an FTC report, 61% of identity theft victims in 2004 failed to notify the police after they had been victimized. Thirty-eight percent of victims notified the police, and the police took action in 30% of the cases.<sup>7</sup> Of course, police resources are often spread thin and identity theft is one of many offenses law enforcement offices handle, so a discussion of how to improve both the reporting and law enforcement responsiveness rates might be in order.

Security breaches are not likely to end anytime soon. A review of the list of breaches on the Privacy Rights Clearinghouse illustrates the point that such breaches are an ongoing problem and affect all types of institutions throughout the country. One of the largest breaches reported was at CitiFinancial with 3.9 million people affected due to lost back-up tapes.

Universities, hospitals, financial institutions, and state and federal government agencies are also the sites of many of these breaches.<sup>8</sup> The federal and state government response to this slew of security breaches has centered largely on credit reports. The federal Fair and Accurate Credit Transactions Act authorizes U.S. residents to obtain free credit reports once a year. As of November 2007, 40 states had enacted legislation authorizing consumers to place a security freeze on credit reports.<sup>9</sup> Although these measures do not prevent identity theft, they impede a criminal from easily using another person's name in opening an account. Legislation enacted in Florida in 2006 authorizes a consumer to make a written request to place a "security freeze" on his or her account and prohibits the consumer credit reporting agency from releasing information in the report without the consumer's consent. The agency may charge a fee of not more than \$10 to "unfreeze" the account, but consumers 65 or older and identity theft victims are exempt from any fees. Several federal bills are under

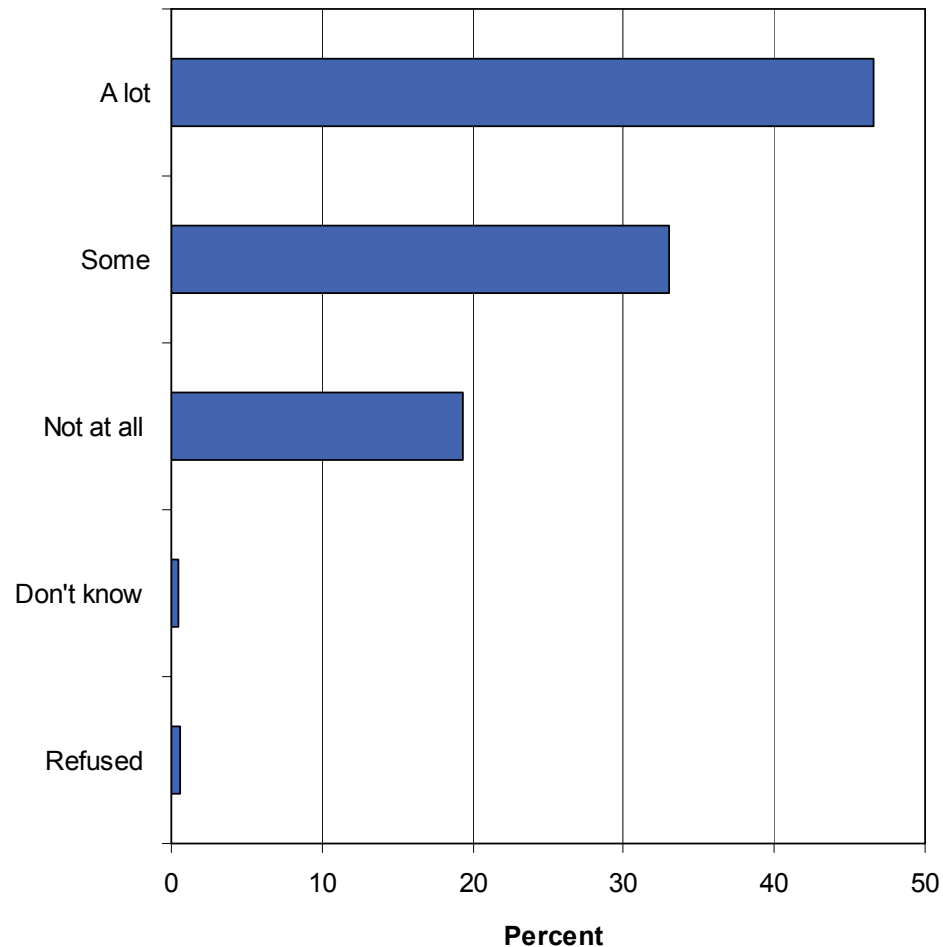
consideration that would either supplement or preempt state laws.

There is also much debate about who should bear the cost of protecting consumers in the aftermath of a data security breach. And there is always the issue of conflicting interests. Arguably, credit bureaus analyze and sell credit information to financial institutions and financial institutions, for their part, apply that information to issuing new credit cards. Measures that freeze security would hamper such efforts.<sup>10</sup> So the challenge may be to identify strategies that bring those interests into closer alignment.

Finally, identity theft gets to the heart of a growing concern Florida residents have about information privacy. When asked whether they worry about businesses giving out their Social Security number, bank account number, or credit card number without their approval, 47% of BEBR survey respondents said they cared a lot and another third they had some concern. [Figure 4](#) reflects their response averaged over a three month period:



**Figure 4. How much do you worry about businesses giving out your Social Security number, bank account number, or credit card number without your approval?**



Note: Data are averaged from the November 2007, December 2007, and January 2008 surveys.  
 Source: BEBR, UF Survey Research Center.

**Health Insurance Fraud**

**What forms does health insurance fraud assume?**

According to the BlueCross BlueShield Association, healthcare costs totaled approximately \$1.8 trillion in 2005, of which as much as \$90 billion was spent fraudulently.<sup>11</sup> Consumers pay for fraud through higher health insurance premiums, co-payments, and taxes, and fraud takes on many forms.

For example, consumers may be charged for medical equipment they did not need or use, may receive unneeded surgeries and invasive tests, and may unwittingly be prescribed diluted drugs. Although BEBR survey respondents did not report hearing many complaints concerning Medicare-related fraud (under 2% of respondents in Figure 2), this type of fraud still deserves some comment, particularly for a state like Florida with an aging population. The

FBI explains how Medicare fraud might occur:

Senior citizens are frequent targets of Medicare schemes, especially by medical equipment manufacturers who offer seniors free medical products in exchange for their Medicare numbers. Because a physician has to sign a form certifying that equipment or testing is needed before Medicare pays for it, con artists fake signatures or bribe corrupt doctors to sign the forms. Once a signature is in place, the manufacturers bill Medicare for merchandise or service that was not needed or was not ordered.<sup>12</sup>

#### **What factors might affect companies and plans in meeting their pay-out obligations?**

One danger is that a health insurance company might be unlicensed to do business in the state. By the time the insured party realizes that is the case, it is too late. For example, the city of Leesburg, Florida contracted with Well America Group Inc. in 2000 to cover its employees. The company was not licensed to do business in the state, and Leesburg was left with over \$700,000 in unpaid medical bills.<sup>13</sup>

Another concern is that companies might have inadequate resources to fund pay-outs. While this might not technically be considered fraud, it could have the same effect: people might pay premiums, expect to be covered, and potentially might not be. Florida law established a bill of rights for policyholders. One of those rights calls

for insurance companies that are financially stable.

Private fee-for-service Medicare plans are a source of concern in this regard. While enrollees in these plans account for only 3% of all Medicare beneficiaries, the enrollment growth in those plans has been very rapid, jumping from 51,214 in 2004 to over 1.5 million in 2007. The Congressional Budget Office (CBO) projects the number to be as high as 5 million by 2017. Insurance companies find private fee-for-service plans more appealing than other Medicare plans because entry into the marketplace is easier: private fee-for-service plans may serve as small a geographic area as a county, and they are not required to establish a network of providers. Consumers would also benefit from having more choice in plan selection and potentially lower out-of-pocket costs.<sup>14</sup>

While these plans might have benefits for both insurance companies and consumers, there is also the potential for abuse. For example, Universal Health Care Insurance Company offers private fee-for-service plans in Florida and seven other states. The company marketed its plans with promises for patients to see any doctor whenever and wherever the beneficiaries wanted. Apparently enrollment exceeded the company's cash reserves, and Florida's insurance commissioner took issue with company's market tactics and lack of cash reserves.<sup>15</sup> Consumers also have reported incidents of unanticipated higher out-of-pocket costs or even

delayed treatment, often the result of a lack of understanding of the private plan's benefits compared to those of traditional Medicare.<sup>16</sup> With a growing number of Medicare-eligible recipients joining private plans, we might expect more of these examples.

### **What protections are available for Floridians?**

There is some state protection against health insurance fraud through the Florida Department of Financial Services which regulates health insurance companies in Florida. Licensed agents who sell unauthorized insurance may face up to five years in prison in addition to disciplinary action. Companies selling discount health plans are required to be licensed by the Department. Unlicensed companies are not regulated by the Department, but the "Pete Orr Insurance Anti-Fraud Act," enacted by the Florida legislature in 2003, also authorizes penalties to be assessed against them if they sell insurance in the state. However, locating and disciplining those unregulated companies may prove difficult. Yet another statutory measure to protect consumers requires insurers to submit anti-fraud plans to the Department of Financial Services and provides penalties for noncompliance.

To assist consumers, the Florida Department of Financial Services has posted a brochure on its website titled "Health Insurance: A Guide for Consumers." This brochure contains consumer alerts and tips for purchasing health insurance coverage. Pro-consumer legislation requires companies to offer

consumers rebates of up to 10% annually in wellness programs provided consumers demonstrate maintenance or improvement of their health status. Moreover, consumers may be entitled to rewards if they find improper charges on their health care bills and the insurance company providing their coverage has established an improper charge identification incentive program.<sup>17</sup>

### **Home Repair, Mortgage Fraud, and Home Insurance Fraud**

#### **What form might home repair fraud and mortgage fraud take and who is affected?**

Floridians are particularly susceptible to home repair scams following a hurricane or natural disaster, and the elderly and low-income are perhaps most vulnerable to scams involving unlicensed contractors who do not deliver on their promises. Not surprisingly, mortgage loan fraud is often implicated in those scams, as the following example illustrates. A woman in Tampa needing home repairs faced foreclosure in April 2004. A company called Florida Beautiful Construction Management promised to obtain a new mortgage loan that would protect her from foreclosure and also pay for her home repairs. She got a loan for \$50,000, but never had control over the money. The renovation was started but never completed.

Mortgage fraud can assume different guises but one that is attracting growing attention is "foreclosure rescue." In this type of scam, rescue companies promise

temporary financing to homeowners faced with foreclosure. Homeowners can stay in their homes but are often forced to pay more than the mortgage, thus increasing their debt. Because they cannot pay off the debt, they frequently must leave or are evicted and the new owner—the rescue company—sells the home and takes the equity from the sale.<sup>18</sup> Nobody knows the total cost of mortgage fraud or home repair scams to Floridians. According to a report by the Mortgage Asset Research Institute, Florida leads the nation in mortgage fraud.<sup>19</sup>

Another type of home-related fraud is home insurance fraud and Floridians are also no strangers to dishonest insurance agents, such as an agent in Port Richey who sold homeowner policies to 44 homeowners in three counties and pocketed \$90,000 in premiums. This type of fraud is particularly likely to occur in the aftermath of hurricanes. For example, unscrupulous contractors and roofers encouraged homeowners to exaggerate damages from the 2004 hurricanes so that estimates exceeded deductibles, thus increasing vendors' profits.

#### **What recourse do consumers have?**

The Florida Office of Financial Regulation regulates home improvement finance sellers, mortgage brokers, and mortgage lenders and also responds to complaints associated with licensed finance sellers, brokers, and lenders. The Florida Department of Business and Professional Regulation licenses construction contractors and contractor businesses and complaints against

contractors may be submitted to its Division of Complaints.

A problem is that much of this fraud is perpetrated by people who are not licensed in Florida so verifying licenses upfront is one of several precautionary steps available to consumers. To assist consumers, the Florida Department of Business and Professional Regulation has an online license verification system. The Florida Department of Financial Services investigates various types of insurance fraud, such as the fraud associated with inflated claims in the example above. At the federal level, the FBI may become involved in mortgage fraud investigations, particularly if that fraud is perpetrated by industry insiders. And FBI investigations have been increasing: from 436 in 2002 to more than 1,000 in 2006.

### **Auto Repair Fraud and Price Gouging**

#### **Is motor vehicle repair fraud and price gouging a problem in Florida?**

According to 2006 American Community Survey data (U.S. Census Bureau), Floridians spend on average 25.9 minutes commuting to and from work. Most of that commuting time is in their cars. Therefore, it is perhaps not too surprising that so many consumer complaints relate to fuel purchases for and repairs of their cars and trucks (see [Figure 2](#)). The Florida Department of Agriculture and Consumer Services, which regulates motor vehicle repair shops, reported almost 2,000 motor vehicle-related complaints in FY 2006-2007. To put this number into

perspective, the Department regulates ten types of businesses and receives more complaints about motor vehicle repair shops than about any of its other regulated entities except for travel agents. However, there are almost 25,000 motor vehicle shops compared to less than 11,000 travel agents so the ratio of complaints per motor vehicle shop is much lower than that per travel agent. Nonetheless, perhaps because of the sheer number of regulated shops, BEBR survey respondents (6%) ranked vehicle repair complaints as the most frequent source of family or friend complaint.<sup>20</sup>

Of all the types of complaints identified as most prevalent by BEBR survey respondents, price gouging related to motor fuel ranked first on the list with a response of 13%. Price gouging is statutorily prohibited in Florida and affects various essential commodities including petroleum products. There are several conditions outlined in FS 501.160 to trigger its application. First, there must be a declared state of emergency. Second, the amount charged for the commodity must “grossly exceed” the average price charged for the commodity during the 30 days preceding the declared state of emergency. Third, the increase in fuel costs cannot be attributable to national and international market trends. Over 8,900 price-gouging related complaints were filed with the Attorney General’s office (not all of which were related to gas prices) and approximately one-third of them were determined to be unsubstantiated. Federal legislation to prohibit price gouging has passed the

House of Representatives but has failed to date to be approved by the Senate.

### **What recourse do consumers have?**

The Florida Motor Vehicle Repair Act (FS 559.901 *et seq.*) provides some recourse for violations by authorizing the Florida Department of Agriculture and Consumer Services to deny, revoke, or refuse to renew a repair shop’s registration if the shop is found to be in violation. The Department conducted 127 investigations of motor vehicle repair complaints and took over 2,100 enforcement actions in 2006-2007.

Enforcement of the price gouging statute is shared by the Attorney General’s Office and the Department of Agriculture and Consumer Services through a Memorandum of Understanding.

### **Conclusion**

Consumer fraud assumes all types of guises, and protecting Floridians is a collaborative effort of government, companies, and consumers. Consumer protection is based on strategies that educate consumers and resolve complaints. To make those strategies more effective, state and federal agencies have taken several steps to target demographic groups. For example, the Florida Office of the Attorney General includes an online brochure targeted to senior citizens on its website but seniors without computers would not be able to access it. The Federal Trade Commission has translated some of its publications into Spanish. Still questions remain as to

whether information about consumer protection and complaint processes could be better targeted to different demographic groups and the most effective means of achieving that goal.

Obviously, effective prevention strategies may reduce the opportunity for fraud and abuse that ultimately costs victims time, stress, and money. Many agencies provide information to help consumers protect themselves against various fraud and deception schemes. Prevention tips of all sorts can be accessed on agency websites. For example, the Florida Department of Agriculture and Consumer Services has publications on auto repair, business opportunities, natural disasters, Florida's landlord/tenant law, gift giving, health studios, household moving, avoiding identity theft, illegal pyramid schemes, Florida's lemon laws and other issues. The Florida Office of the Attorney General provides information on identity theft, Internet crimes and protecting children surfing the Internet. The Florida Public Service Commission provides consumer tips on a wide range of utility-related issues, such as spam, Internet scams, and caller ID spoofing. To access this and other consumer-related information, however, consumers need to know where to go and, in many cases, must have access to computers and proficiency in English.

If consumers feel they have been deceived or injured, they can file a complaint and seek a remedy. As

Attachment I illustrates, a wide array of government and some nongovernment agencies process and resolve complaints. The Florida Department of Agriculture and Consumer Services handles complaints for which it has jurisdiction and also serves as a clearinghouse for complaints that do not fall under any government jurisdiction. Although state government agencies in Florida are statutorily required to coordinate their complaint referrals, the referral process is arguably fragmented and is not centralized. Moreover, because of limited resources, government agencies are more likely to be reactive than proactive in responding to allegations of fraud.

We might not know exactly what challenges will develop to reduce fraudulent behavior in Florida. However, we can be pretty certain that the type of deception will evolve more quickly than the measures taken to protect all of us. The transformative nature of illegal spam messages is an apt example. Therefore, while we might want certainty, we will probably have to settle for change. To quote President John Fitzgerald Kennedy, "The one unchangeable certainty is that nothing is unchangeable or certain." The overarching task for us is to find ways of reducing consumers' vulnerability to attacks on their pocketbooks and their safety in our rapidly evolving digital world.

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<sup>1</sup> This survey of consumer attitudes was conducted over a three-month period (November 2007-January 2008). The total number of survey respondents was: 511 in November, 507 in December, and 588 in January. Seventeen percent represents the average percentage of respondents over the three-month period who reported that they had experienced, or one in their family was directly affected by, some type of consumer fraud within the past three years.

<sup>1</sup> Legislative Office of Economic & Demographic Research, Demographic Estimating Conference Database, Florida Total Population by Age, Race, and Gender: April 1, 1970 – 2030, updated August 2007. Available at: <http://edr.state.fl.us/population.htm>

<sup>1</sup> Identity Theft Resource Center, “Facts and Statistics,” April 30, 2007. Available at: [http://www.idtheftcenter.org/artman2/publish/m\\_facts/Facts\\_and\\_Statistics.shtml](http://www.idtheftcenter.org/artman2/publish/m_facts/Facts_and_Statistics.shtml)

<sup>1</sup> Florida Department of Education, “Change, and Response to Change, in Florida’s Public Schools,” February 2007, at 9. Available at: <http://www.firn.edu/doe/eias/eiaspubs/pdf/changes0207.pdf>

<sup>1</sup> Florida Department of Financial Services Press Release, “CFO Sink Announces 47 Suspects Arrested So Far in statewide Three-Day Operation,” January 24, 2008. Available at: <http://www.myfloridacfo.com/pressoffice/ViewMediaRelease.asp?ID=2863>

<sup>1</sup> Rachel Kim, Javelin Strategy & Research, “2007 Identity Fraud Survey Report – Consumer Version: How Consumers Can Protect Themselves (Abbreviated Version), February 2007. Available at: <http://www.freakonomics.com/pdf/Javelin%20Report%202007.pdf>. See also FierceCIO, “Identity Theft Dropped in 2007,” February 14, 2008. Available at: <http://www.fiercecio.com/story/identity-theft-dropped-in-2007/2008-02-14>

<sup>1</sup> CQ Researcher, “Identity Theft: Can Congress Give Americans Better Protection?” 15(22), June 10, 2005, at 532.

<sup>1</sup> Privacy Rights Clearinghouse, “A Chronology of Data Breaches.” Available at: <http://www.privacyrights.org/ar/ChronDataBreaches.htm#CP>

<sup>1</sup> The list of states can be accessed on the website of the National Conference of State Legislatures: <http://www.ncsl.org/programs/banking/SecurityFreezeLaws.htm>. See also Consumer Union’s Guide to Security Protection, updated October 30, 2007. Available at: [http://www.consumersunion.org/campaigns/learn\\_more/003484indiv.html](http://www.consumersunion.org/campaigns/learn_more/003484indiv.html)

<sup>1</sup> Suze Orman, “Worried About Identity Theft?” *The Wall Street Journal*, July 22, 2006, at A. 11.

<sup>1</sup> BlueCross BlueShield Association, “Healthcare Fraud Overview.” Available at: <http://www.bcbs.com/betterknowledge/anti-fraud/healthcare-fraud-overview.html?templateName=template-28719196&print=t>.

<sup>1</sup> See <http://www.fbi.gov/majcases/fraud/fraudschemes.htm#health>

<sup>1</sup> Susan Lundine, “Study: Insurance Fraud Thriving,” *Orlando Business Journal*, September 15, 2003. Available at: <http://orlando.bizjournals.com/orlando/stories/2003/09/15/story1.html>

<sup>1</sup> Patricia Neuman, Henry J. Kaiser Family Foundation, “Private Fee-for-Service Plans in Medicare: Rapid Growth and Future Implications,” Testimony to the Subcommittee on Health, Committee on Ways and Means, U.S. House of Representatives, May 22, 2007. Available at: <http://www.kff.org/medicare/upload/7648.pdf>

<sup>1</sup> Robert Pear, “Methods Used by Insurers are Questioned,” *The New York Times*, May 7, 2007.

<sup>1</sup> Center for Medicare Advocacy, Inc. Testimony on Medicare Advantage to the Subcommittee on Health, Committee on Ways and Means, U.S. House of Representatives, March 21, 2007. Available at: [http://www.medicareadvocacy.org/MA\\_03.26.07.TestimonyOnMAPlans.pdf](http://www.medicareadvocacy.org/MA_03.26.07.TestimonyOnMAPlans.pdf)

<sup>1</sup> See <http://www.fldfs.com/Consumers/literature/HealthGuide2006.pdf>

<sup>1</sup> Paul Davies, “Mortgage Fraud is Prime,” *The Wall Street Journal*, August 18-19, 2007, at B2.

<sup>1</sup> Merle Sharick, Jennifer Butts, Michelle Donahue, Nick Larson, and D. James Croft, “Ninth Periodic Mortgage Fraud Case Report to Mortgage Bankers Association,” April 2007. Available at: <http://www.mari-inc.com/pdfs/mba/MBA9thCaseRpt.pdf>

<sup>1</sup> Committee on Commerce, *Florida Department of Agriculture and Consumer Services Agency Sunset Review Interim Report*, Report No. 2008-207, January 2008. Available at: [http://www.flsenate.gov/data/Publications/2008/Senate/reports/interim\\_reports/pdf/2008-207cmlong.pdf](http://www.flsenate.gov/data/Publications/2008/Senate/reports/interim_reports/pdf/2008-207cmlong.pdf)



## Appendix

<b>TYPE OF COMPLAINT</b>	<b>PRIMARY AGENCY RECEIVING COMPLAINT</b>
Advertising (general complaints)	Federal Trade Commission
Advertising (misleading/ Bait and Switch)	Florida Office of the Attorney General
Airlines	U.S. Department of Transportation (safety) Federal Aviation Administration hotline
Animal retail transactions, animal lemon laws, animal food, dog kennels	Florida Department of Agriculture and Consumer Services
Businesses and professions, such as accountants, barbers, cosmetologists, condominium associations, electrical contractors, and others	Florida Department of Business and Professional Regulation
Antitrust (suspected violations)	U.S. Department of Justice
Anti-spam	Florida Office of the Attorney General
Assisted living facilities, day care centers for adults, and nursing homes	Florida Agency for Health Care Administration. Also Long-term Care Ombudsman in Florida Department of Elder Affairs
Attorneys	Florida Bar Association Consumer Assistance Program
Automobile dealers	Florida Department of Highway Safety and Motor Vehicles
Automobile lemon law	Florida Department of Agriculture and Consumer Services
Cable service	Federal Communications Commission (general) and Florida Department of Agriculture and Consumer Services (Florida-specific)
Car rentals	Florida Department of Agriculture and Consumer Services
Charities (solicitations)	Florida Department of Agriculture and Consumer Services
Computer crimes	Florida Department of Law Enforcement
Credit bureaus	Federal Trade Commission
Credit card fraud	Florida Department of Financial Services
Day care centers (children)	Florida Department of Children & Families
Economic crimes fraud	Florida Office of the Attorney General
Employment complaints	Florida Agency for Workforce Innovation
Engineers (unlicensed activities)	Florida Board of Professional Engineers
Financing and lending companies (collection agencies, consumer finance companies, brokers, investment advisers, mortgage brokers and lenders, money transmitters) licensed in Florida	Florida Office of Financial Regulation
Food safety	U.S. Food & Drug Administration (general); U.S. Department of Agriculture (meat, poultry, egg products)
Game promotions	Florida Department of Agriculture and Consumer Services
Home improvements	Florida Office of Financial Regulation
Identity theft	Florida Office of the Attorney General
Insurance, including health, life, auto, property and workers' compensation insurance	Florida Department of Financial Services
Internet fraud	Internet Crime Complaint Center (a partnership between the Federal Bureau of Investigation and the National White Collar Crime Center)
International lottery scams, Nigerian scams	Internet Crime Complaint Center
Land sales scams	Florida Office of the Attorney General
Lottery scams	Florida Lottery
Mail fraud	U.S. Postal Inspection Service

Major appliances	No agency. Major Appliance Consumer Action Panel takes complaints.
Medical facility, HMO, practitioners such as doctors, nurses, dentists, therapists, pharmacists	Agency for Health Care Administration Consumer Complaint Publication and Information Call Center; forms from Department of Health; Medicaid fraud complaints investigated by Florida Office of the Attorney General
Motor vehicle contracts and titles	Florida Department of Highway Safety and Motor Vehicles
Motor vehicle financing (new and used)	Florida Office of Financial Regulation
Odometer fraud	Florida Department of Highway Safety and Motor Vehicles
Pawn shops	Florida Department of Agriculture and Consumer Services
Price gouging	Florida Department of Agriculture and Consumer Services; enforcement also by Florida Office of the Attorney General and Department of Legal Affairs
Pyramid schemes and various problematic business practices	Florida Department of Agriculture and Consumer Services
Relocations	Federal Motor Carrier Safety Administration (interstate moves); Florida Department of Agriculture and Consumer Services (intrastate moves)
Rental deposits not returned	Florida Department of Agriculture and Consumer Services
Repairs	Florida Department of Agriculture and Consumer Services (various); Florida Office of the Attorney General (car trouble)
Scholarship scams	Federal Trade Commission
Spam (fraudulent e-mail)	Federal Trade Commission (does not investigate individual complaints); Also Florida Office of the Attorney General
Telemarketers	Florida Department of Agriculture and Consumer Services
Wireless service	Federal Communications Commission (service); Florida Department of Agriculture and Consumer Services

(Distilled from Florida Department of Agriculture and Consumer Services, A-Z Resource Guide, available at: <http://www.800helpfla.com/azguide.html>)

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