



NEW YORK
STATE OF
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**Department
of State**

2019 ANNUAL REPORT

ACTIVITIES OF THE DIVISION OF CONSUMER PROTECTION

Pursuant to Section 94-a (5)(a) of the Executive Law

**FOR SUBMISSION TO:
TEMPORARY PRESIDENT OF THE SENATE ANDREA STEWART-COUSINS
SPEAKER OF THE ASSEMBLY CARL E. HEASTIE**

April 17, 2020

**Andrew M. Cuomo
Governor**

**Rossana Rosado
Secretary of State**

INTRODUCTION

In compliance with the requirements set forth in Executive Law § 94-a (5)(a), the Department of State (“Department”) respectfully submits this report regarding the activities of the Division of Consumer Protection (“Division”). This report covers the period of January 1, 2019 through December 31, 2019.

During the reporting period, the Division accomplished its goals of educating and protecting the public by: (1) providing direct assistance and mediation to resolve marketplace complaints; (2) delivering mitigation assistance for victims of identity theft; (3) conducting education campaigns related to scam prevention, identity theft prevention, financial literacy, and product safety; (4) advancing cost effective and quality electric, gas, telephone, and cable service by representing consumers at utility rate and policy proceedings before State and federal regulators; and (5) enforcing the State’s Do Not Call Law (“DNC Law”).

CONSUMER ASSISTANCE PROGRAM

Executive Law § 94-a (3)(a)(1) charges the Division to “receive complaints of consumers, attempt to mediate such complaints where appropriate, and refer complaints to the appropriate unit of the department, or federal, state, or local agency authorized by law for appropriate action on such complaints.” This statutory mandate is met through the Consumer Assistance Program (“CAP”). The CAP operates a Consumer Assistance Helpline five days per week, 8:30 a.m. to 4:30 p.m. Consumers also have the option of filing a consumer complaint electronically 24 hours per day, seven days per week, via the Department’s website. Among other issues, the CAP mediates and resolves complaints regarding product refunds and returns, credit card disputes, debt collection and consolidation practices, internet services, cellular services, credit report errors, and identity theft mitigation.

In 2019, the CAP staff handled 14,881 complaints and inquiries. These activities returned nearly a million dollars to the wallets of New York consumers. Specifically, \$764,540 expended by consumers was returned, and \$68,548 in obligated consumer costs were eliminated. A chart of the top ten consumer concerns addressed in 2019 is attached. (Appendix A)

IDENTITY THEFT PREVENTION AND MITIGATION PROGRAM

Executive Law § 94-a (3)(a)(9) directs the Division to “establish a process by which victims of identity theft will receive assistance and information to resolve complaints,” which includes promulgating rules and regulations to administer the Identity Theft Prevention and Mitigation Program.

The Division received and reviewed 14 consumer credit reporting agency annual filings to ensure compliance with Identity Theft Prevention and Mitigation Program regulations. The regulations serve to hold consumer credit reporting agencies accountable and better assist consumers navigating their credit report, the most critical financial imprint created by the consumer credit reporting agencies.

The Division also published three new Identity Theft Prevention and Mitigation guides for consumers: (1) Tools to Protect Your Credit; (2) How to Respond to Identity Theft and (3) Protect Your Child’s Identity.

OUTREACH AND EDUCATION PROGRAM

Executive Law § 94-a (3)(a)(3) directs the Division to “initiate and encourage consumer education programs.” In 2019, the Division provided presentations on Identity Theft Prevention and Mitigation, Scam Prevention, Financial Literacy, the DNC Law, and Product Safety. The Division delivered live seminars to community groups, organizations, and educational institutions across the State, a list of which is provided in Appendix B. The Division also educated consumers by utilizing social media channels Facebook and Twitter, issuing consumer alerts and contributing to Statewide consumer media coverage.

In 2019, the Division’s Outreach and Education Program participated in 66 events statewide, reaching approximately 169,000 consumers. Appendix C enumerates these statewide activities in a map by county and region.

The Division also launched a Digital Marketplace Consumer Education Campaign to (1) highlight important terms and conditions contained in popular web applications and services consumers use, and (2) provide important best practices for maintaining privacy when transacting online. The effort was buttressed by the Consumer Data Privacy Survey, which actively engaged New York consumers statewide to assess their concerns and ideas for future data privacy consumer protection policies.

Additionally, for nearly two weeks the Division energetically engaged consumers from across the State at the New York State Fair. The Division listened to consumers’ marketplace concerns, facilitated consumer complaint filings and promoted the expansion of its Outreach and Education presentations across the State. During this period, the State Fair set an all-time high attendance record of 1,329,275.

DO NOT CALL ENFORCEMENT PROGRAM

The New York State Do Not Call Law became effective in 2001, allowing consumers to place their telephone numbers on a central registry to reduce the number of unsolicited telemarketing calls they receive. In 2003, the Federal Trade Commission (“FTC”) and the Federal Communications Commission collaborated to create the National Do Not Call Program and Registry. As a result, New Yorkers started registering their home and mobile phone numbers on the National Do Not Call Registry (National Registry) and filing complaints using the FTC’s website.

In 2019, the Division enhanced its Do Not Call Enforcement Program (“Program”) with technology upgrades to include improved data analysis capacity, robust investigation protocols and collaborations with other state and federal law enforcement partnerships.

Using the National Registry to retrieve the complaints of aggrieved New Yorkers, the Division investigated 33,240 alleged violations with the goal of ending unlawful conduct. As of December 31, 2019, there were 15,310,766 New York telephone numbers on the National Registry, an increase of 206,051 telephone numbers over the previous year. Despite the increase in registrants, New York saw a decrease in consumer complaints concerning violations of the Do Not Call Law with 281,504 in 2019, compared to 363,688 in 2018.

UTILITY INTERVENTION UNIT

Executive Law §94-a(4)(b) sets forth the powers and duties of the Utility Intervention Unit (UIU). The UIU is tasked with representing the interests of consumers before federal, state, and local agencies

engaged in the regulation of energy, water, and telecommunication services. UIU staff participate in cases before the Public Service Commission (PSC), the New York Independent System Operator (NYISO), and the Federal Energy Regulatory Commission (FERC) as well as several utility and energy-related interagency working groups, task forces, and committees including the Low Income Forum on Energy Steering Committee, Home Energy Assistance Program Interagency Task Force, Natural Gas Reliability Advisory Group, National Association of State Utility Consumer Advocates, and sits as the Vice-Chairperson of the Targeted Accessibility Fund.

To fulfill this requirement, UIU staff have engaged in extensive analysis across multiple issue areas, including: electric and gas utility rate cases, with a specialized focus on rate design and revenue allocation; resource adequacy serving wholesale electricity markets; discount calculation methodology for low-income customers; rate design in evolving end-user markets; and proliferation of advanced meters across utility service territories. While this list is not exhaustive, the wide range of UIU's involvement in multiple proceedings, confidential settlement negotiations, and policy issues affecting consumers across the State provide a unique perspective and insight from which to advocate for financial equity and fairness for utility customers as consumers. This role has become more important during the implementation of significant and important policy changes relating to utility service in New York State.

During 2019, UIU participated in 22 PSC utility rate and policy proceedings, as noted in Appendix C. Participation in these proceedings involve extensive analysis of technical documents and data, the submission of witness/expert testimony and legal briefs, participation in confidential settlement negotiations and evidentiary hearings. The vast majority of UIU's efforts during this year focused on rate cases due to the scheduling of several concurrent cases that represented approximately 4.5 million electric customers and 6.2 million gas customers. In each of these rate proceedings, UIU advocated aggressively on behalf of consumers with the goal of limiting the utilities' proposed rate increases while considering policy implications to customers' rates, and focusing on customer service, cost of service, depreciation, revenue allocation, and rate design.

Utility rate cases are lengthy processes, generally an eleven-month process. The first four months focus on conducting discovery, analyzing responses, and developing testimony with experts. Often after rebuttal testimony is filed, the remainder of the months may be spent on settlement negotiations and drafting a joint proposal, evidentiary hearings, initial and reply briefs, etc. Below are examples of UIU's rate case participation in 2019.

- Consolidated Edison Company of New York, Inc.: Initial rate case filed on January 31, 2019; parties' direct and rebuttal testimony were subsequently due on May 24, 2019 and June 14, 2019, respectively. Negotiations began June 27, 2019 and continued over the course of 45 meetings, some lasting entire days, and concluded mid-October. A Joint Proposal was filed with the Commission and the PSC ruled on the case in its January 2020 session.
- KeySpan Long Island and Brooklyn Union Gas (d.b.a., National Grid): Initial rate case filed on April 30, 2019, with direct and rebuttal testimony by parties filed on August 30, 2019 and September 18, 2019. Negotiations began at the end of September but did not conclude in a negotiated joint proposal, and the case is advancing to evidentiary hearings in February 2020.
- New York State Gas and Electric and Rochester Gas & Electric: Initial rate case filed on May 20, 2019, with direct and rebuttal testimony filed on September 20, 2019 and October 15, 2019. Negotiations began in mid-November.

Additionally, UIU continues to serve as the designated Statewide Consumer Advocate at the NYISO, which oversees the wholesale electricity markets in New York, and is a voting member on several of the NYISO's decision-making committees. In that role, UIU assists in developing rules and procedures that help to ensure that an adequate supply of reasonably priced electricity exists for consumers in the State.

CONSUMER MARKETPLACE SAFETY

CHILDREN'S PRODUCT TESTING

Executive Law § 94-a (3)(a)(11) grants the Division the power and duty to "conduct product research and testing and, where appropriate, contract with private agencies and firms for the performance of such services." In 2019, the Division conducted a child product safety testing campaign to ensure compliance with applicable New York State and federal safety standards. All testing was performed by a third-party Consumer Product Safety Commission ("CPSC") accredited laboratory.

A random sampling of 10 children's toys were tested for compliance with applicable New York State and Federal standards for the presence of lead and phthalates. Where appropriate, certain products among the sampling received mechanical hazards testing. Nine of the ten items tested compliant with applicable State and Federal standards.

A five-inch Fashion Doll imported by Greenbrier International (Chesapeake, VA) and sold by Dollar Tree (Amsterdam, NY) was found to contain more than 246 times the federally allowable limit of the chemical phthalate di-(2-ethylhexyl), also known as DEHP. The Division provided the results to the retailer, importer and CPSC, with a recommendation for the product to be removed from the stream of commerce. Dollar Tree responded by removing the product from its shelves.

The nine positive compliance results served as a safety assurance for the State's children's product consumers. Whereas, the one failure served as an important call for vigilance to continue to test children's products for hazards to keep the State marketplace safe for our children.

CONSUMER PRODUCT SAFETY COMMISSION DESIGNEE ACTIVITIES

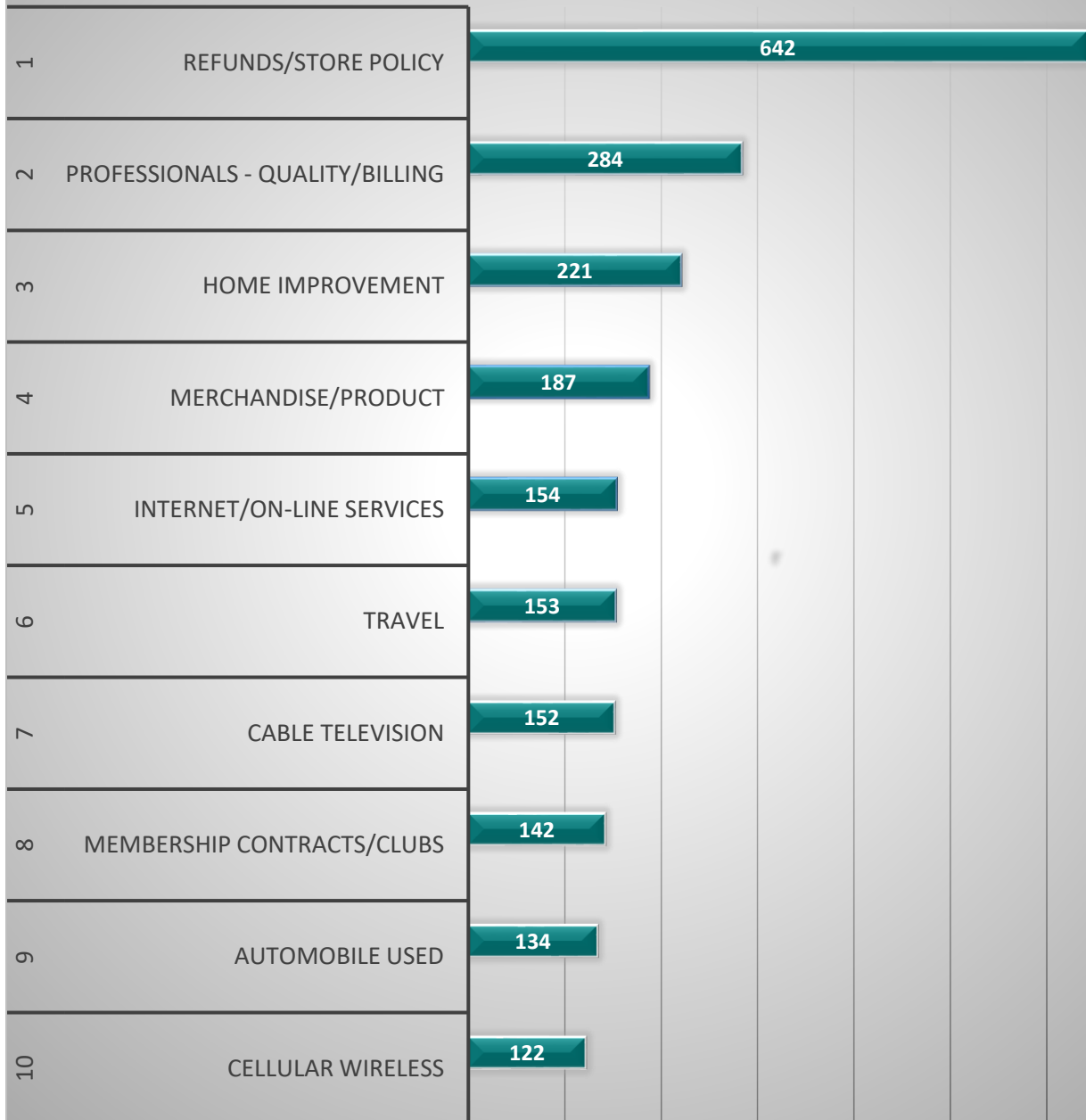
The Division serves as the CPSC's New York State designee for product safety. Together, the Division and the CPSC work to promote product safety programs throughout the State. In this role, the Division conducted 22 recall effectiveness checks and 10 resale store safety education visits in 2019.

CONCLUSION

In 2019, the Division successfully carried out its numerous charges set forth in Executive Law 94-a. Whether mitigating harms that have occurred or educating consumers to prevent future harm, the Division serves to assist and protect consumers navigating the ever-changing marketplace.

APPENDIX A

2019 Top Ten Categories of Consumer Assistance



APPENDIX B

Division of Consumer Protection 2019 Outreach Events and Presentations

January

1. Webinar to ONA Community Navigators – Statewide
Topic: All DCP Educational Materials

February

2. NYS Winter Fair – Onondaga County
Topic: All DCP Educational Materials
3. Vision Urbana – New York County
Topic: Scam Prevention
4. NYS Association of Black and Puerto Rican Legislators 48th Annual Legislative Conference – Albany County
Topic: All DCP Educational Materials
5. Annual Conference of the Association of Towns of the State of New York – New York County
Topic: All DCP Educational Materials
6. Catholic Charities Community Services of Dutchess – Dutchess County
Topic: Scam Prevention
7. NYS Department of Labor – Albany County
Topic: Identity Theft and Scam Prevention
8. Center on Law and Information Policy (CLIP) at Fordham Law School – New York County
Topic: Data Privacy

March

9. Hannaford Kidz Expo – Albany County
Topic: Tip-Over Prevention
10. National Consumer Protection Week with the United States Postal Inspection Service – New York County
Topic: Safe Home in the Digital Age
11. SOMOS Albany Conference – Albany County
Topic: All DCP Educational Materials
12. Cumberland Packing Corporation – Kings County
Topic: Avoiding Scams
13. OnPoint for College at Onondaga Community College – Onondaga County

Topic: Credit Management

14. OnPoint for College at Onondaga Community College – Onondaga County
Topic: Credit Management

April

15. Jericho Road Community Health Center – Erie County
Topic: Tax Fraud and Avoiding Scams
16. Action for a Better Community – Monroe County
Topic: Avoiding Scams
17. Literacy Nassau – Nassau County
Topic: Avoiding Scams
18. Queens College Chapter of the New York Public Interest Research Group (NYPRIG) – Queens County
Topic: Credit Management
19. District 5 Family Resource Center – New York County
Topic: Internet Safety and Avoiding Scams
20. Catholic Charities, Immigration Legal Services/ONA Hotline – New York County
Topic: Avoiding Scams
21. Council Member Mathieu Eugene & Flatbush Beacon Program 11th Annual Community Health Fair – Kings County
Topic: All DCP Educational Materials
22. Court Appointed Special Advocates for Children (CASA-NYC) – New York County
Topic: Avoiding Scams

May

23. NYS Assembly Member Carmen De La Rosa District Outreach, RAIN Inwood Neighborhood Senior Center – New York County
Topic: Senior Scams
24. Community Library of DeWitt & Jamesville – Onondaga County
Topic: Scam Prevention
25. Civil Service Employees Association (CSEA) NYS Department of Transportation Local Presidents Conference – Warren County
Topic: Identity Theft and Do Not Call Compliance
26. Cyber Protection Team Post Deployment Yellow Ribbon Event – Schenectady County
Topic: All DCP Educational Materials
27. NYS Department of Labor Albany Wellness Fair – Albany County

Topic: All DCP Educational Materials

28. Patchogue-Medford Library – Suffolk County
Topic: Senior Scams
29. NYS Assembly Member Carmen De La Rosa District Outreach, Golden Era Senior Center – New York County
Topic: Senior Scams
30. Catholic Charities Community Services of Dutchess – Dutchess County
Topic: Scam Prevention
31. Civil Service Employees Association (CSEA) NYS Department of Corrections and Community Supervision (DOCCS) Local Presidents Conference – Essex County
Topic: Identity Theft and Child Identity Theft
32. NYS Assembly Member Carmen De La Rosa District Outreach, ARC XVI Senior Center – New York County
Topic: Senior Scams
33. NYS Assembly Member Carmen De La Rosa District Outreach, STAR Senior Center – New York County
Topic: Senior Scams
34. Neighbors Link – Westchester County
Topic: Child Safety
35. Catholic Charities Community Services of Dutchess – Dutchess County
Topic: Scams Prevention
36. NYS Assembly Member Carmen De La Rosa District Outreach, Riverstone Senior Center – New York County
Topic: Senior Scams

June

37. U.S. Committee for Refugees and Immigrants (ONA Opportunity Center) – Albany County
Topic: Scams Targeting Immigrants
38. Action for a Better Community – Monroe County
Topic: Scam Prevention
39. Cypress Hills Child Care Corporation Annual Health Fair – Kings County
Topic: Child Identity Theft and all DCP Educational Materials
40. Mercy Center – Bronx County
Topic: Child Identity Theft and Scam Prevention
41. NYS Department of Labor – Rensselaer County
Topic: Identity Theft Prevention

42. Council of Peoples Organization (COPO) – Kings County
Topic: Scam Prevention
43. Boardwalk Bash, a Health Information Fair for Seniors and Family with Assembly Member Nicole Malliotakis – Richmond County
Topic: Senior Scams and all DCP Educational Materials
44. NYS Assembly Member Jo Anne Simon Annual Senior Resource Fair – Kings County
Topic: Senior Scams and all DCP Educational Materials
45. Parkchester Health Expo – Bronx County
Topic: All DCP Educational Materials

July

46. NYS Senator Brad Hoylman Second Annual Senior Resource Fair - New York County
Topic: Senior Scams and all DCP Educational Materials
47. NYS Office of Children and Family Services, Child Fatality Review Team Annual Conference – Albany County
Topic: Child Safety
48. Court Appointed Special Advocates for Children (CASA-NYC) - New York County
Topic: Credit Monitoring

August

49. Seaview Development Corporation – Richmond County
Topic: Senior Scams
50. Bergen House – Kings County
Topic: All DCP Educational Materials
51. La Guelaguetza de Poughkeepsie – Dutchess County
Topic: All DCP Educational Materials
52. New York State Fair – Onondaga County
Topic: All DCP Educational Materials

September

53. NYC Safe Kids Coalition Quarterly Meeting – New York County
Topic: All DCP Educational Materials
54. NYS Department of Transportation: Fall Safety Meeting – Schoharie County
Topic: All DCP Educational Materials
55. VI Feria de Servicios para Colombianos en Nueva York – New York County
Topic: All DCP Educational Materials
56. NYC Safe Kids Coalition Safety Week at NY Presbyterian Hospital of Queens – Queens County

Topic: Child Identity Theft and all DCP Educational Materials

57. NYC Safe Kids Coalition Safety Week at Bellevue Hospital – New York County

Topic: Child Identity Theft and all DCP Educational Materials

58. NYC Safe Kids Coalition Safety Week at Maimonides Medical Center – Kings County

Topic: Child Identity Theft and all DCP Educational Materials

October

59. NYS Senator Kevin Thomas Senior Health Fair – Nassau County

Topic: Senior Scams and all DCP Educational Materials

60. NYS Senator John Brooks Golden Gathering – Nassau County

Topic: Senior Scams and all DCP Educational Materials

61. NYS Senator John Brooks Golden Gathering – Suffolk County

Topic: Senior Scams and all DCP Educational Materials

62. AW Becker Elementary School – Albany County

Topic: Child Consumers and all DCP Educational Materials

63. Schenectady County Public Library – Schenectady County

Topic: Identity Theft and Scam Prevention

64. NYS Office of Mental Health and NYS Office for People with Developmental Disabilities – Albany County

Topic: Identity Theft and Scam Prevention

November

65. Middle Country Public Library – Suffolk County

Topic: Senior Scams

December

66. Chinese-American Planning Council, Inc. at Brooklyn Community Services – Kings County

Topic: Child Identity Theft

APPENDIX C

Division of Consumer Protection 2019 Outreach Events and Presentations

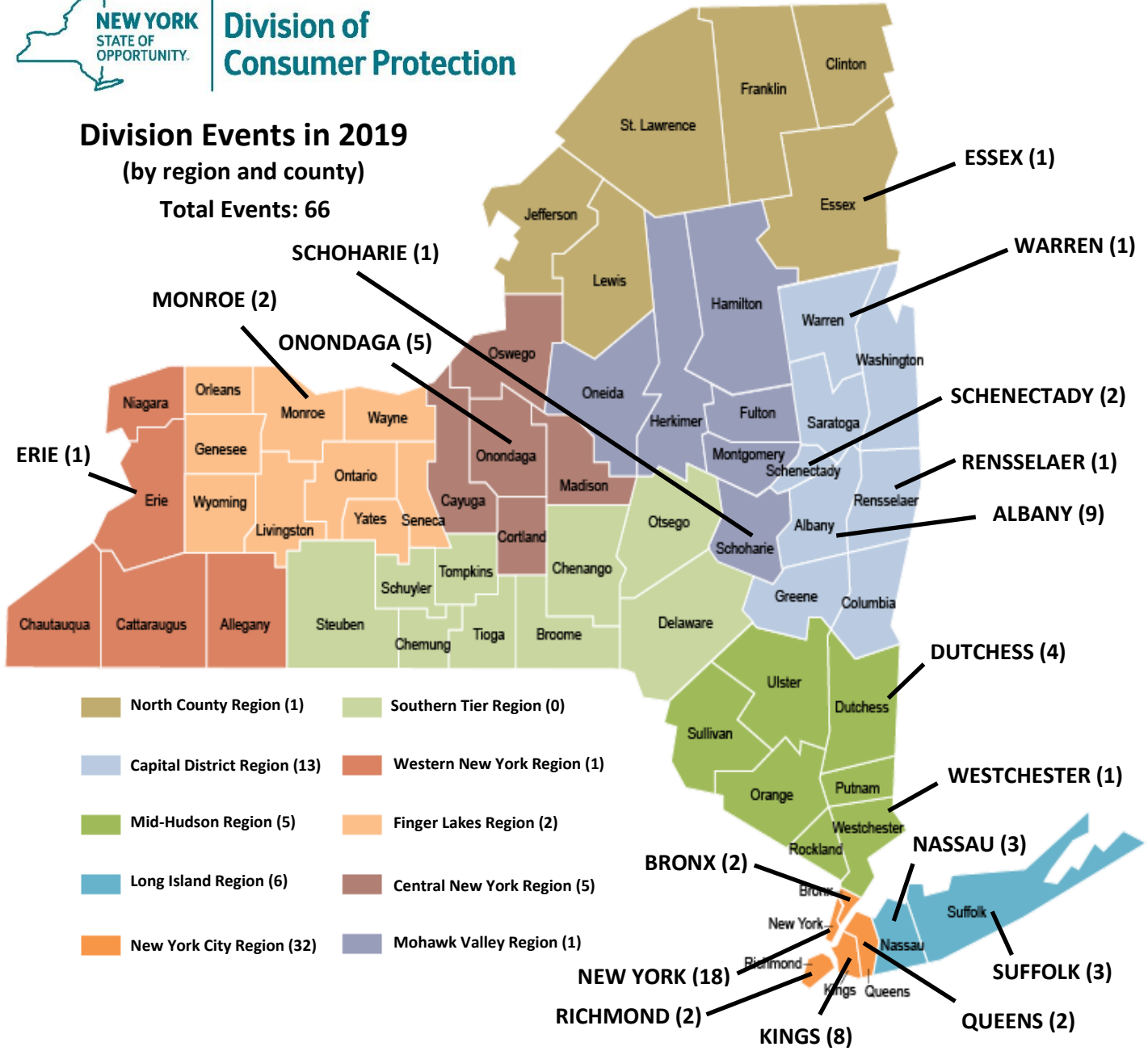


Division of Consumer Protection

Division Events in 2019

(by region and county)

Total Events: 66



Appendix D

Utility Intervention Unit

2019 Utility Rate Cases & PSC Proceedings

Case #	Company	Case Description	Category
19-E-0380 & 19-G-0381	RG&E	Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Rochester Gas and Electric Corporation for Electric Service	Rate Case
19-E-0378 & 19-G-0379	NYSEG	Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of New York State Electric & Gas Corporation for Gas Service	Rate Case
19-M-0350	Niagara Mohawk/ KEDNY/KEDLI	Petition of Niagara Mohawk Power Corporation d/b/a National Grid; The Brooklyn Union Gas Company d/b/a National Grid NY; and KeySpan Gas East Corp. d/b/a National Grid for Authorization to Adjust the Annual Calculation of Discount Amounts	Petition
19-M-0265	NYSERDA	In the Matter of a Program to Encourage Clean Energy in Westchester County Pursuant to Public Service Law Section 74-a	Plan
19-G-0309 & 19-G-0310	KEDNY/KEDLI	Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of The Brooklyn Union Gas Company and KeySpan Gas East Corp. d/b/a National Grid NY for Gas Service	Rate Case
19-E-0065 & 19-G-0066	Con Edison	Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric and Gas Service	Rate Case
18-C-0497	TracFone/ Virgin Mobile/ i-wireless/ Buffalo-Lake Erie	Wireless Providers Petitions for Participation in Targeted Accessibility Fund (TAF)	Petition
18-G-0140	St. Lawrence Gas	Joint Petition of Liberty Utilities Co. and St. Lawrence Gas Company, Inc. for Approval, Pursuant to Section 70 of the PSL, of the Acquisition of St. Lawrence Gas Company, Inc. by Liberty Utilities Co. and for Approval, Pursuant to Section 69 of the PSL, of the Issuance of Long-Term Indebtedness	Merger Case
18-G-0133	St. Lawrence Gas	Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of St. Lawrence Gas Company Inc. for Gas Service	Rate Case

18-G-0565	Con Edison	Tariff Filing by Consolidated Edison Company of New York, Inc. to Modify Its Gas Tariff Schedule, P.S.C. No. 9, Regarding the Interruptible Gas Service Program	Monitoring
18-E-0130	DPS/NYSERDA	In the Matter of Energy Storage Deployment Program	Monitoring
18-M-0084	DPS/NYSERDA	In the Matter of a Comprehensive Energy Efficiency Initiative	Monitoring
17-E-0594	NYSEG/RGE	Proceeding on Motion of the Commission to Investigate the March 2017 Windstorm, Related Power Outages, Case 17-E-0594 and Rochester Gas and Electric and New York State Electric & Gas Restoration Efforts	Monitoring
17-E-0238 & 17-G-0239	Niagara Mohawk	Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation d/b/a National Grid for Electric and Gas Service	Follow-up Rate Case Proposal
19-C-0046, 18-C-0497, 18-C-0335, 18-C-0125	Various	Several companies filed petitions pursuant to Public Service Law 92-h to Participate in the New York State Targeted Accessibility Fund and for Establishment of Distribution	Policy Case
15-M-0180	DPS	In the Matter of Regulation and Oversight of Distributed Energy Resource Providers and Products	Policy Case
15-M-0127	DPS	Proceeding on Motion of the Commission to Assess Certain Aspects of the Residential and Small Non-residential Retail Energy Markets in New York State	Monitoring
17-01277	DPS	In the Matter of the Value of Distributed Energy Resources Working Group Regarding Rate Design	Policy Case
15-E-0751	DPS	In the Matter of the Value of Distributed Energy Resources	Policy Case
17-01276	DPS	In the Matter of the Value of Distributed Energy Resources Working Group Regarding Value Stack	Policy Case
18-E-0623	DPS	In the Matter of New York Independent System Operator, Inc.'s Proposed Public Policy Transmission Needs for Consideration for 2018	Policy Case
19-E-0530	DPS	Proceeding on Motion of the Commission to Consider Resource Adequacy Matters	Policy Case