

How Two Municipalities Built Innovative Approaches to Local Consumer Financial Protection

Embedding financial empowerment strategies within local government has played a pivotal role in helping residents reduce debt, increase savings, and build stronger financial futures. But financial empowerment is not only about building assets; equally important is helping residents protect those assets, especially as deceptive financial practices proliferate. Stunningly, the Federal Trade Commission [reported that consumers lost over \\$12.5 billion to fraud](#) in 2024—a 25% increase from the previous year.

To ensure strong financial futures for residents, local governments increasingly are using their unique powers to protect consumers from scams, fraud, and financial abuse. Two municipalities offering notable consumer protection models are Cuyahoga County, OH—who launched a “Scam Squad” to combat financial scams—and Denver, CO, who passed an innovative wage theft ordinance and launched an accompanying complaint hotline to support enforcement.

CUYAHOGA COUNTY, OH

In 2016, Sheryl Harris (Director, Cuyahoga County Department of Consumer Affairs) noticed a gap in Cuyahoga County’s consumer protection efforts: residents had no clear channel for reporting scams. People who had fallen victim to scams didn’t know where to turn and were often bounced between agencies without resolution. Sheryl and her local team set out to fill the gap.

They began by convening agencies from the federal, state, and local levels, including police, the county Office of Emergency Management, the state Department of Public Safety, and local offices of federal partners like the Federal Bureau of Investigations and the Department of Justice. These groups largely had been siloed; they didn’t share information, and each was unsure exactly what authority the others had to solve consumer protection issues. To address these gaps, the group created a new task force called the Scam Squad. The Scam Squad warns consumers about current scam threats, provides streamlined reporting and referrals, and ensures agencies countywide can support residents suffering financial losses. The task force has created innovative materials and programs to combat emerging scams and hosted a conference to equip law enforcement, attorneys, and social workers to support scam victims. In support of the task force, Consumer Affairs staffs a Scam Squad line that offers people streamlined scam reporting and gives victims one-on-one advice to limit the risks they may face from a particular scam, such as account compromise or malware. The Scam Squad line has fielded calls from thousands of residents.

Sheryl credits the Scam Squad’s success as stemming from the unique positioning of local government; the county is able to convene nonprofits and agencies from all levels of government. Municipalities are also uniquely positioned to protect consumers—they are more likely to hear about relevant threats and able to react more nimbly than their federal counterparts. By convening a variety of agencies, the Scam Squad can play to each agency’s strengths. Such connectivity also allows Consumer Affairs to support residents who have suffered scam losses by connecting them to relevant county services. For example, if a resident is struggling to pay bills due to a scam loss, the department might connect them to free financial counseling or benefits screening. Others are referred to emotional support programming to deal with the complex feelings that stem from being targeted by scammers.



Scam losses are soaring and causing our residents real harm. Only by creating partnerships can we knit together agencies with different jurisdictional powers and tools to help our residents avoid, report, and recover from scams.”

—**SHERYL HARRIS**, DIRECTOR, CUYAHOGA COUNTY DEPARTMENT OF CONSUMER AFFAIRS

[Cuyahoga County Consumer Affairs](#) shares key resources—like their [Scam Squad Guide](#)—online; Sheryl encourages other municipalities to use these resources as a model to build their own consumer protection efforts. She notes the importance of starting with the big picture: identify the gaps in local consumer protection efforts, then leverage your role in local government to gather diverse partners and build coordinated responses to key consumer issues.

DENVER, CO

When the Denver Consumer Financial Protection Division (led by Manager Ron Ojeda) met with agencies from across the city and state in 2016 to assess the major issues plaguing Denver consumers and identify top priorities for coordinated action, one of the most pressing issues was wage theft. Previous efforts to address wage theft were insufficient; Colorado residents faced over \$750 million in wage theft each year. It was time for a new approach, leveraging the unique powers of the city.

The team worked alongside the Denver city attorney's office to write and pass a new law to combat wage theft. Thanks to this cross-agency collaboration, as well as the support of local unions, the Auditor's Office as the enforcement agency, and City Council, the legislation passed unanimously in January 2023. Since then, the Consumer Financial Protection unit has been proud to work with Denver Labor (the enforcement division of the City Auditor's Office) to refer clients for enforcement of the law. In 2024, Denver Labor recovered more than \$2 million in wages, targeted enforcement in high risk industries like construction, and audited more than 100,000 payroll records. With additional enforcement tools like subpoena powers made possible by these successes, these numbers are expected to continue to grow, helping Denver residents protect their hard earned wages.

To ensure residents can report issues like wage theft, the team also established a hotline where they field complaints, refer people to the Auditor's Office for further investigation, and connect callers experiencing financial losses to other city agencies as needed. For example, they often refer callers to the [Denver Financial Empowerment Center](#) for financial counseling to help them rebuild. Their partnership with Denver's Department of Housing Stability has helped hundreds of households at risk of eviction and foreclosure. This hotline also helps the team identify key patterns and emerging issues related to wage theft.

Ron attributes the Division's success to their ability to assemble a coalition of major players across the city. By collaborating with key figures like the city attorney and the Auditor's Office, they were able to pass ambitious legislation and establish innovative channels for enforcement. This coalition was made possible by the unique powers of local government; partnering with other city agencies and working across both state and local levels set them up for success.

Ron and his team hope Denver's wage theft legislation and complaint hotline can serve as proof of concept for other municipalities looking to address similar issues. To get started, they advise identifying key players in consumer protection work across your state and locality, noting it's especially helpful to find a political leader to champion the work.

Scams, fraud, and other deceptive financial practices are an ever-evolving problem; they'll keep changing, but they won't go away. Local government has a unique opportunity to protect consumers and workers from these dangers—and doing so is crucial to ensure strong financial futures for residents. Denver and Cuyahoga County offer two strong models for how municipalities are tackling this work. To learn more or launch this work in your locality, contact Kant Desai, Senior Principal, at kdesai@cfefund.org.

“ You get more personal service at the local level. It's at the local level that the agency you're calling will have strong relationships with other agencies in the city. And 90% of the time, it's those agencies that will have the resources to bring a solution for the client. 5000 people in Denver have [wage theft] issues every year—the local government works to protect those people.”

— RON OJEDA, MANAGER, DENVER CONSUMER



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