

Protecting yourself as a consumer

Students research consumer rights to respond to real-life scenarios that demonstrate the importance of consumer protection laws.

Learning goals

Big idea

Consumer protection laws exist to protect the rights of consumers and to prevent businesses from engaging in unlawful practices that may give them an advantage over competitors.

Essential questions

- How do consumer protection laws help you?
- How can you make informed choices in the marketplace and get help if you think your rights have been violated?

Objectives


- Know basic consumer rights and where to go for help with consumer complaints
- Practice recognizing when consumer protection laws are broken

NOTE

Please remember to consider your students' accommodations and special needs to ensure that all students are able to participate in a meaningful way.

KEY INFORMATION

Building block:

-  Financial knowledge and decision-making skills

Grade level: High school (9-12)

Age range: 13-19

Topic: Protect (Managing risk, Preventing fraud and identity theft)

School subject: CTE (Career and technical education), English or language arts, Social studies or history

Teaching strategy: Cooperative learning, Simulation

Bloom's Taxonomy level: Apply, Evaluate

Activity duration: 45-60 minutes

National Standards for Personal Financial Education, 2021

Spending: 8-2, 8-4, 12-2, 12-5, 12-8, 12-9

Managing risk: 8-1, 8-7, 12-11

These standards are cumulative, and topics are not repeated in each grade level. This activity may include information students need to understand before exploring this topic in more detail.

What students will do

- Become familiar with consumer protection laws through research and discussion.
- Determine whether consumers would have protections in some real-life scenarios and research evidence to support their answer.

Preparing for this activity

- Print copies of all student materials, or prepare for students to access them electronically.
- Obtain computers or tablets with Internet access so students can conduct research.

What you'll need

THIS TEACHER GUIDE

- [Protecting yourself as a consumer \(guide\)](#)
[cfpb_building_block_activities_protecting-yourself-consumer_guide.pdf](#)

STUDENT MATERIALS

- [Protecting yourself as a consumer \(worksheet\)](#)
[cfpb_building_block_activities_protecting-yourself-consumer_worksheet.pdf](#)
- Computers or tablets with Internet access

Exploring key financial concepts

Becoming aware of consumer protection laws and your rights as a consumer is part of building financial capability. That means knowing your rights or how to find out about them and knowing what to do if you have a complaint about a product or service.

Some federal agencies are focused on protecting the rights of consumers. One agency is the Consumer Financial Protection Bureau (CFPB). CFPB enforces consumer finance laws passed by the federal government and makes sure financial products are fair, transparent, and competitive. CFPB's work helps make sure banks, lenders, and other financial companies treat you fairly. It protects consumers from unfair, deceptive, or abusive practices and takes action against companies that break

TIP

Because terms and laws related to consumer protection change, students should be encouraged to always look for the most up-to-date information.

the law. CFPB provides people with the information, steps, and tools they need to make smart financial decisions. Another agency is the Federal Trade Commission (FTC). This agency works to prevent deceptive and unfair business practices. It also provides information to help consumers spot, stop, and avoid scams and fraud.

Teaching this activity

Whole-class introduction

- Ask students what they think a consumer is.
 - Students may say that a consumer is someone who buys things or pays for something.
- Ask students to share some ways they or people in their lives are consumers.
 - Consumer examples may include buying food, paying for entertainment, buying school supplies, or paying a plumber to fix a broken toilet or a mechanic to fix your car.
- Ask students to brainstorm examples of risks they face as consumers.
 - Answers may include getting a broken product, paying too much for something, having their private information stolen, or being tricked by false advertising.
- Tell students they'll learn about their rights as consumers and what they can do when their rights are violated.
- Read the "Exploring key financial concepts" section to students.
- Be sure students understand key vocabulary:
 - **Consumer:** A person who buys or receives goods or services for personal needs or use and not for resale.
 - **Fraud:** An illegal act that occurs when people try to trick you out of your personal information and your money.
 - **Identity theft:** Using your personal information – such as your name, Social Security number, or credit card number – without your permission.
 - **Protect:** To make sure that somebody or something isn't harmed, injured, damaged, or lost.
 - **Scam:** A dishonest trick used to cheat somebody out of something important, like money. Scams can happen in person, through social media, or by phone, email, postal mail, or text.

TIP

Visit CFPB's financial education glossary at consumerfinance.gov/financial-education-glossary/.

Individual or group work

- Distribute the “Protecting yourself as a consumer” worksheet.
- Students can work individually, in pairs, or in small groups on this activity but should complete their own worksheet.
- Have students read each scenario on the worksheet and, without doing any research, guess (by answering yes or no) whether a consumer would have any protections or rights in the scenario based on current consumer laws.
- Students will then research their answer using the suggested websites for each scenario.
- As necessary, students should modify their answers and provide evidence from their research to support their response.

Wrap-up

- Ask students to share their answers and use their evidence to extend discussion.
 - While all questions were designed with a “Yes” answer in mind, encourage students to share their thinking and provide their evidence.
- If time allows, ask students to share something they learned about their rights as consumers.

Suggested next steps

Consider searching for other [CFPB activities](#) that address the topic of protection, including managing risk and preventing fraud and identity theft. Suggested activities include [“Examining the statistics on fraud and identity theft”](#) and [“Giving advice about consumer protection.”](#)

Measuring student learning

Students’ answers on their worksheets and during discussion can give you a sense of their understanding.

The answer guide on the next page provides possible answers for the “Protecting yourself as a consumer” worksheet. **Keep in mind that students’ answers may vary.** The important thing is for students to have reasonable justification for their answers.

Answer guide

Scenario	Answer	Rationale
1. You get phone calls with prerecorded messages, or robocalls, all the time. They happen so frequently, they disrupt your daily routine. As a consumer, can you do anything to stop these calls?	Yes	Robocalls that are trying to sell you something are illegal unless you have given a company written permission to contact you in this way. You can report robocalls to the FTC at DoNotCall.gov . You can also consider blocking or labeling calls to reduce the number of robocalls you receive. Political calls aren't covered under the registry.
2. You find out that a company is purposely spreading false advertisements and statements about their main product. Can you do anything about these false advertisements?	Yes	The FTC prevents consumer fraud by enforcing truth-in-advertising laws for all media, including television, online, billboards, newspapers, and magazines. You can file a report with the FTC at ReportFraud.ftc.gov . If you choose, you may file a report anonymously.
3. A paid actor in a mortgage company's television commercials makes claims about how a particular loan has helped them. Does the mortgage company have to disclose that this actor was paid for their work?	Yes	The FTC's Endorsement Guides help consumers by requiring businesses to let people know if endorsements are paid for by the business. The Guides also require businesses to let people know if there's a connection between the person providing the endorsement and the business (for instance, if the person providing the endorsement is related to the business owner). This helps consumers decide how much weight to give an endorsement.
4. Your credit card company had a security breach, and thieves may have your personal information. Does the credit card company have to tell you that this breach occurred?	Yes	All states, the District of Columbia, Puerto Rico, and the Virgin Islands require businesses to notify individuals if their personal information is compromised in a security breach. There may be additional requirements depending on the type of information that was compromised - for instance, if medical records are involved, then businesses may need to notify the FTC and the media. Specific states or jurisdictions may have additional requirements for businesses.