

## Don't Let Fear Stop You From Participating In The Census

Mrs. Montero, a grandmother of six, from Saint Lawrence County and recent college student Julio B. of the Tottenville section of Staten Island are as different from each other as two can be. Yet, both are important in New York's effort to achieve full participation in the Census. New Yorkers have much to gain and nothing to lose by filling out the census questionnaire, reports the New York State Consumer Protection Board (CPB).

"All Latinos should feel confident about participating in the 2010 Census," said Mindy A. Bockstein, the CPB's Chairperson and Executive Director. "As the nation's largest minority group,

the Hispanic community should focus on all the benefits and services they stand to gain by being counted."

The CPB is urging consumers to complete the census form, which was recently mailed, and mail it back by April 1, 2010. This will help ensure an accurate count of all New Yorkers, regardless of their immigration status.

### Why is that important?

"An accurate count means that your community and State will get their fair share of more than four hundred billion dollars



in annual federal funds," said CPB Chairperson and Executive Director Mindy A. Bockstein. "These funds benefit you and your family by creating needed

» continúa, PG. 6

### ARTICULOS:

- Home Loan Modification Scams
- Protecting Yourself From Carbon Monoxide Poisoning
- Credit vs. Debit
- Beware of Online Advertising
- Fraudulent Credit Repair and Debt Consolidation Offers

## Popular Scams Targeting Latinos

Scammers do not discriminate; they will take advantage of anyone who they consider an easy target

» continúa, PG. 3

## Celebrating 40 Years of Results for NY Consumers



MINDY A. BOCKSTEIN Chairperson and Executive Director

These are trying times for consumers. The number of foreclosures has unleashed a torrent of loan modification scams. Medical identity theft has become a growing problem. The recent earthquake in Chile and Haiti have raised concerns about immigration and charity fraud. Con artists have developed

new ways to take advantage of senior citizens in the wake of our economic downturn. As a result, consumers need a fast-acting consumer protection agency that gets out in front of issues and helps safeguard the public from the latest threats. That's what we strive to be at the New York State Consumer Protection Board (CPB). Whether it's publicizing the latest product recall, issuing a new scam alert, informing about a major data breach, advising about credit

card industry practices, warning about loan modification rip-offs, or fighting against utility rate increases, the CPB continues to be at the forefront of protecting the safety, well-being and wallets of New Yorkers.

We also give you news you can use to be a smart consumer in your everyday life. We emphasize "how to" advice such as how to exercise your privacy options online, how to reduce the risk of identity theft and how to avoid becoming a victim

of a scam targeting the Latino community.

In this newsletter, you will benefit from tips and read about some of the CPB initiatives that are keeping New York State on the cutting-edge of consumer protection. And remember, keep checking our website, [www.nyconsumer.gov](http://www.nyconsumer.gov), which is updated regularly and will feature exciting programming during our 40th anniversary year. Especially in these times, we urge you to take full advantage of what the CPB is doing to empower and protect New York consumers.



## Credit versus Debit: Aren't They the Same?

Not all plastic is equal, warns the New York State Consumer Protection Board (CPB) Chairperson Mindy A. Bockstein. "While they may all look the same and can be used to pay for items, credit and debit cards are not the same and have different consumer protections associated with each product. Thus, consumers should take note of the differences."

Using a credit card is essentially borrowing money, similar to a loan. Generally, when a consumer uses a credit card, the money borrowed will be charged interest to be paid when specified payments are due, unless there are grace periods, which are stated in the contract or credit card agreement. A credit card is a pay later approach.



CREDIT VERSUS DEBIT: AREN'T THEY THE SAME?

This is unlike using a debit card, which is more like using cash. When a consumer uses a debit card, the money is immediately deducted from the person's checking account, or sometimes a savings account. However, when a consumer purchases something but does not have enough money in his or her account to pay for the purchase, the consumer may incur a hefty fee for "overdrafting." Overdraft fees are disclosed in the financial account agreement. A debit card is a pay now approach.

Government regulations are designed to protect consumers using credit and debit cards, and consumers should be aware that these protections vary by the type of card and the issuer. In general, protections for credit cards are more robust than for debit cards.

More information regarding the difference between credit and debit cards can be found at:  
[http://www.nysconsumer.gov/pdf/credit\\_vs\\_debit.pdf](http://www.nysconsumer.gov/pdf/credit_vs_debit.pdf)

## The CPB Welcomes New York State Senator José Peralta as the New Chair of the New York State Senate Standing Committee on Consumer Protection



CPB CHAIRPERSON AND EXECUTIVE DIRECTOR MINDY A. BOCKSTEIN WITH NEW YORK STATE SENATOR JOSÉ PERALTA, THE NEW CHAIR OF THE NEW YORK STATE SENATE STANDING COMMITTEE ON CONSUMER PROTECTION

## Popular Scams Targeting Latinos ... cont. from page 1

and will seize every opportunity to prey on consumers who might be swayed by a certain pitch or service. Because of language and cultural barriers, Latinos are particularly vulnerable to scammers. In many cases, the perpetrators are people within the same ethnic communities as their victims. They use common language, culture and immigration experiences to form a natural bond of trust. Unscrupulous businesses and individuals use Spanish-language publications, Spanish TV stations, Internet and telemarketing calls in Spanish to prey on their victims.

Scammers are often difficult to apprehend and prosecute because many victims are not always willing to file a complaint. Those who are undocumented fear the risk of being exposed to immigration authorities. Further, some victims feel ashamed and embarrassed of being taken advantage. We have created a list of popular scams that continue targeting the Latino community.



**“Free Vacation Scam”**-- You might hear a radio ad urging you to call a phone number to win a free airline and hotel stay in Miami, Dominican Republic or Puerto Rico or you might receive a letter informing you of your winnings. The scammer convinces the consumer into believing that they’ve won an all paid vacation package.



### POPULAR SCAMS TARGETING LATINOS

In order to secure their winnings, the consumer must provide their credit card number and pay hundreds of dollars in processing fees and taxes. Unfortunately, often the consumer does not receive anything in return. Consumers are frequently conned into believing that these contests are sponsored by the radio station or newspaper.

**Work-at-Home / Employment Scams** -- Whether it is an unsolicited e-mail or newspaper advertisement offering a work-at-home job, scammers often try to sway non-English speaking consumers. For a fee, consumers are told they will receive

easy assembly work, such as making greeting cards or stuffing and sealing envelopes. The ad promises high earnings but tends to require the consumer to pay a processing fee. The scammer will claim that the fee will be refunded in full once the consumer assembles and mails in the items. Unfortunately, once they have your money, no

them and pay them large sums of money for promises of legal representation, halting a deportation or obtaining legal status.

**Shipping Services Scams** -- Scammers promise to pick up your package or crate for free and deliver it to a relative back in Santo Domingo, Ecuador or other overseas location. At times, a fee is charged upfront for the advertised service. You trust them to do what they say and later find out that the package was never delivered. These shipping and transport services advertise in newspapers and on radio and might not have a physical address.

**Unsecured Credit Card Scam** -- Scammers promise credit cards to consumers with poor credit leading consumers to believe that they would receive unsecured major credit cards like Master Card or Visa with a guaranteed \$2,000 credit limit. When consumers call to order the cards they are told they must pay a processing fee ranging from \$150 to \$300. After consumers receive the card, they realize that the card is not a major, unsecured credit card but a card that can only be used to purchase items from a catalog or website.

such work will arrive in your mailbox.

**Legal Services/ Immigration Scams** -- Individuals claiming to be legal representatives convince you they are authorized to help conduct real estate transactions, divorces and filing of other legal documents for a large fee. They tend to charge high fees and rarely do any significant work on your legal matter. Immigrants seek help from businesses or individuals that advertise themselves as “Licenciados” or “Notarios Publicos.” In many Latin American countries, these two titles are often synonymous with attorneys. Immigrants are sometimes fooled into thinking that these individuals will represent

# Protecting Yourself From Carbon Monoxide Poisoning

Protecting New Yorkers from the hazards of carbon monoxide poisoning is something that the NYS Consumer Protection Board (CPB) takes seriously. With a new law in effect -- named for a 16-year old girl who died of carbon monoxide poisoning from a faulty boiler -- requiring carbon monoxide detectors in nearly every dwelling in the State, the CPB offers the following guidance:

## What is Carbon Monoxide?

Carbon monoxide (CO), known as the "silent killer," is a colorless, odorless -- and poisonous -- gas. According to the United States Centers for Disease Control and Prevention, carbon monoxide poisoning kills approximately 450 people each year and sends thousands more to the hospital. Fatality is highest among people 65 and older.

## From Where Does Carbon Monoxide Come?

CO is a natural byproduct of the combustion of fuel such as natural gas, oil, propane, kerosene, gasoline, wood and charcoal.

Common sources include:

- Furnaces and boilers
- Water heaters
- Wood and charcoal stoves and heaters
- Fireplaces
- Fuel burning appliances
- Charcoal grills
- Portable generators
- Automobiles in attached garages

## How Can I Eliminate CO Emissions in My Home?

- Have a qualified technician inspect your furnace, boiler, fireplace, chimney, vents, water heater and fuel-burning appliances once a year to make sure they're in good working condition
- Make sure that fuel-burning appliances are properly installed and vented
- Never use a charcoal grill indoors -- even in a fireplace
- Don't use a gas stove to heat your home
- Make sure that all vents, including the clothes dryer outside vent, are not blocked by snow, overgrown outdoor plants, furniture or other objects
- Never start a car in a closed garage, and do not idle a car in a garage even if the garage door is open. Fumes can build up quickly and seep indoors



PROTECT YOURSELF FROM CARBON MONOXIDE POISONING

## Do I Need a Detector?

Yes! Even if you take all of the precautions described in this article, there is still a possibility that CO will build up in your home. An unanticipated vent blockage may occur. A fuel-burning appliance may malfunction. A chimney may get blocked by debris. A vehicle may be left running in an attached garage. A CO detector is an important line of defense against poisoning.

What's more, effective February 22, 2010, a new State law known as "Amanda's Law" requires carbon monoxide detectors to be installed in nearly every dwelling in New York.

## Where Should I Install CO Detectors?

Most manufacturers specify where you should install their CO detector. In general, a CO detector should be installed on each level of the home, and, at a minimum, outside each sleeping area -- so it can be heard by people who are sleeping. Additional units can be installed in other locations in the home. For further information, visit the website of the NYS Department of State: [www.dos.state.ny.us](http://www.dos.state.ny.us) ●

## How Long Does a CO Detector Last?

Many people don't realize that the life expectancy of a CO detector is approximately 5 years from the date of manufacture. After that time, there's a good chance that the unit will no longer detect the presence of CO -- even if the batteries are new.

Therefore, it's important to check the expiration date on your detectors. Units that are certified by Underwriters Laboratories (UL) must have end-of-life warnings and notification of the expiration date. The location of the expiration sticker will vary by manufacturer, but it usually appears on the back of the detector or next to the battery compartment.

Outdated detectors should be removed and replaced with new ones. ●

## How Often Should I Replace the Batteries?

Batteries should be replaced at least twice a year. Make it a habit to replace the batteries when the clock changes in March and November, the way you do for your smoke detectors. That way, it's easy to remember and batteries are replaced on a regular schedule. ●

## Loan Modification: Don't Get Scammed

With many people struggling to pay their mortgage and facing the possibility of foreclosure, enticing advertisements for loan modification companies seem to be everywhere, including on television, radio and even the Internet. Perhaps you have been solicited via telephone or e-mail? Someone may have even knocked on your door to make a sales pitch: "Avoid Foreclosure." "Lower Your Monthly Mortgage Payment." "The Fast and Easy Way to Save Your Home." "100% Success Rate." However, the Consumer Protection Board (CPB) and others are urging homeowners to exercise caution.



LOAN MODIFICATION: DON'T GET SCAMMED

### Loan Modification Scams

Loan modification companies, also known as "distressed property consultants," claim they will save you from foreclosure by negotiating with your lender for new, more favorable payment terms.

It sounds great, but often these for-profit companies take advantage of consumers who are afraid of losing their homes. They charge illegal, up-front fees. They misrepresent that they can obtain loan modifications for all borrowers, regardless of credit history or amount of mortgage arrears. They give the false impression that they're affiliated with a government agency. In addition, sometimes they fail to do any work at all - - costing consumers valuable time, money and sometimes their homes.

» continúa, PG. 8

## Beware Of Fraudulent Credit Repair and Debt Consolidation Agencies

Commercials and advertisements promising to clean your credit record and get you out of debt have become prevalent during these times of economic hardship. We read them on e-mails and pop-ups via Internet, hear them on the radio, read them in newspapers and billboards and even watch them on television. If you are in serious need of help, these ads might be very tempting. So, you pick up the phone and make a call to one of these companies and after pouring your heart out to the person on the line, you provide them with your personal and financial information. For

an undisclosed amount of money, they promise to get rid of your debt and/or clean up your credit record. After some time, you discover that your debts have not been paid and that your credit has not improved. All that money that you were handing over to the company to pay creditors has filled the company's pockets.

Take the case of Ms. Navarro from Corona, Queens. Ms. Navarro's debts became unmanageable after she was laid off from her job. She found herself calling a debt consolidation agency after hearing a radio

commercial promising to wipe her debts clean. The business asked that she no longer make any payments to the creditors and send the payments directly to them. They would intervene on her behalf and make a deal with the creditors to reduce the payments and consolidate her total debt. After six months of handing over a total of \$5,400.00 to the company, Ms. Navarro continued receiving letters from her creditors, some of them threatening to sue her in court. When she contacted the debt consolidation company to find out why creditors had not received her payments, she was told that most of her payments

had been used to cover the agency's costs and processing fees. Ms. Navarro was upset and appalled that this agency would mislead her and take her money instead of resolving her debt problems. When she contacted the CPB for assistance, we wrote to the company asking that her money be returned since the agency had done nothing to clear her debt. Fortunately, the company complied with our request and Ms. Navarro was able to obtain her money back.

Unfortunately, not every consumer is as fortunate

» continúa, PG. 7

## Beware Of Misleading Online Advertisements

*Don't Fall Victim To Bogus Internet Ads Offering Free Samples And Special Offers*

A pop-up advertisement appears on your computer screen offering a new and innovative product. It claims amazing results and the company will even mail you a free sample if you order it online. Another pop-up showcases a product at an unbelievable price and the offer is too good to pass up. The minute you click on the ad, you might be opening yourself up to a possible scam or shady business deal.

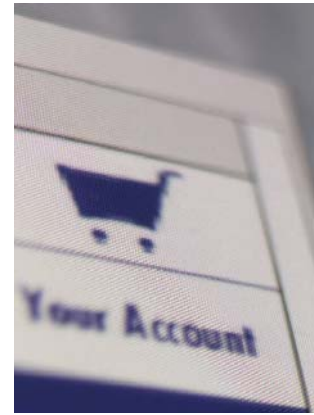
The Internet has become a popular and practical tool in our daily lives. We use it to stay informed, keep up with our friends and relatives, pay our bills and shop. Many reputable online companies offer excellent products at competitive prices, but there are also companies that prey on consumers. When dealing with unknown or untested company websites and advertisements it is important to keep in mind that you might be providing personal and financial information to an unscrupulous or bogus business.

Take the case of Queens resident Edith Gonzales. Ms. Gonzales was reading her e-mail when she was suddenly distracted by a pop-up advertisement offering a free sample of a teeth-whitening product. She decided to request the free sample and paid the shipping and handling fee of \$2.99 using her bank card. Sometime after receiving the product, Ms. Gonzales noticed that her bank statement included a charge of \$99.00 from the teeth-whitening company. When she contacted customer service, she was told that the offer she clicked on meant she could sample the product for free for 15 days and thereafter she was to be charged the full price. Additionally, she had also been automatically enrolled in a teeth-whitening club membership for the same monthly price. To make matters worse, the company had no physical address and it could have been operating out of any location in the world. Ms. Gonzales had no other choice but to close her bank account and accept her losses.

The New York State Consumer Protection Board (CPB) offers these useful tips to help you avoid falling victim to fake and misleading online advertisements:

- Do not be persuaded by free offers, free samples and special discounts that appear in pop-up advertisements and e-mails. Many of these ads are completely false and others include misleading and hidden offers
- Pay special attention to money-saving offers that might contain hidden costs or could enroll you in a monthly shopping club
- When shopping online, make every effort to visit familiar and reputable websites. It is advisable that you make the initial contact with the website, instead of responding to an unsolicited pop-up ad or e-mail
- If you are tempted by a certain offer, do not act on impulse! Read the entire ad, including the fine print. Call the company and get all the relevant information regarding the product; including total price, refund policy and restrictions in writing. Be aware that some information might not be revealed online until after you have agreed to make the purchase
- Do your research: Do an online search on the company to check for background information and possible scams and complaints

Contact the CPB ([www.nysconsumer.gov](http://www.nysconsumer.gov)) the Better Business Bureau and local consumer affairs authorities for more information or to file a complaint. ●



BEWARE OF MISLEADING ONLINE ADVERTISEMENTS

## Census 2010 ... cont. from page 1

schools, hospitals, community and job training centers and other State services to which every New Yorker is entitled. Also, it will ensure that Latinos are accurately counted and fairly represented in the State and the nation."

The 2010 Census form is short -- only ten questions relating to the name, sex, age and date of birth, race and relationship of each of the members of your household as well as whether the housing unit is owned or rented. The form DOES NOT request bank account or credit card information, salary or income, citizenship or immigration status, or Social Security numbers. The answers provided are used only for statistical purposes. Your personal information is not shared with anyone outside of the U.S. Census Bureau.

The Census Bureau assures confidentiality. Data collection is safe, simple and secure but some might be skeptical when giving out their personal information.

If you did not obtain a census questionnaire by mail, you can request one at any of the Census Centers located in your neighborhood or by calling 1-866-928-2010 ●

# Beware Of Fraudulent Credit Repair and Debt Consolidation Agencies ... cont. from page 5

as Ms. Navarro. In many cases, the company refuses to make a refund. Sometimes the company disappears altogether. So it's important to know your rights and do your homework before signing up with a debt consolidation or credit repair company.

If your debts and credit have become unmanageable and you have been unsuccessful at resolving these issues on your own, the services of debt consolidation or credit repair companies can be a good alternative to help you reorganize your debts, return delinquent accounts to good standing, recommend a strict budget and reduce your monthly payments by contacting creditors on your behalf. However, some of these agencies charge extremely high service fees and the amount of money you are paying is sometimes not equivalent to the quality of service they provide.

The CPB offers these tips so that you can avoid unscrupulous businesses:

- Check to see that the credit-counseling agency is licensed and accredited. New York requires credit counselors, also known as budget planners, to be licensed through the Banking Department. Information relating to licensing and accreditation can be found through [www.banking.state.ny.us/sibudget.htm](http://www.banking.state.ny.us/sibudget.htm) or by calling the Banking Department at 1-877-BANK-NYS
- Check complaint records. Contact the Better Business Bureau, the Office of the New York State Attorney General, the New York State Consumer Protection Board, and local consumer authorities to find out about a specific credit counseling organization's records
- Get all verbal promises **IN WRITING**. Make sure you receive a written agreement or contract. That includes statement of the total fees to be charged, settlement terms in case of cancellation of the contract or prepayment of the obligations

## Warning Signs

Think twice when choosing a particular credit-counseling agency if it:

- Is reluctant to provide the organization's business name and address. This is a clear sign of fraud. A toll-free number or e-mail address is not enough. Scam artists typically avoid providing their physical location to evade law enforcement
- Demands account numbers or other financial details before discussing services provided and a written agreement
- Promises that getting out of debt will be easy
- Claims that negative information, such as a bankruptcy or late payments, will be removed from your credit report

## Questions to Ask Before you Sign Up for an Agency

- How will I know that the creditors have received my payment?
- How often will I receive reports on my account?
- How long will it take me to get out of debt?

Be warned -- statements such as, "Credit problems? No problem;" "We can remove bankruptcies, judgments, liens, and bad loans from your credit file forever;" "We can erase your bad credit 100% guaranteed;" or "Create a new credit identity legally" -- are red flags that the credit counseling agency is not legitimate. No one can remove accurate and timely negative information from a credit report. Additionally, you can do everything that a credit counseling agency can legally perform, at no cost. ●



BEWARE OF FRAUDULENT CREDIT REPAIR AND DEBT CONSOLIDATION AGENCIES

# Loan Modification: Don't Get Scammed ... cont. from page 5

## Loan Modification Scam Alert Campaign

That's why the CPB has joined a nationwide public education campaign designed to inform homeowners about loan modification scams and launched it in New York. The campaign, which was developed by NeighborWorks America and includes government agencies and non-profit organizations, educates homeowners about these types of scams, refers consumers to trusted help and encourages homeowners to report illegal activity to authorities.

## What Homeowners Can Do

Information is the best defense against loan modification scams. Homeowners should look out for these red flags and avoid offers from any company that:

- Asks for a fee in advance. Advance fees are illegal under New York law
- Guarantees it can stop a foreclosure or get your loan modified
- Tells you to stop paying your mortgage and pay them instead
- Pressures you to sign paperwork you haven't had a chance to read and understand
- Claims it is offering "government approved" or "official government" loan modifications
- Asks you to release financial information online or over the telephone, even though you've never heard of or dealt with them before



## Use a Housing Counselor

Fortunately, there's an excellent, no-cost alternative to private, for-profit loan modification companies. You can receive free assistance from a housing counselor in a non-profit organization that is certified by the federal Department of Housing and Urban Development (HUD).

Governor Paterson has provided more than \$40 million for direct counseling and services to homeowners in default and foreclosure. HUD-certified housing counselors have extensive training and experience in negotiating with banks on behalf of homeowners. They also know your rights under State and federal law. Why pay someone to assist you, and risk getting scammed in the process, when free assistance is available?

## How to Get Further Assistance

You can find a free, HUD-certified housing counseling agency by logging onto the HUD website [www.hud.gov](http://www.hud.gov) or visiting [www.loanscamalert.org](http://www.loanscamalert.org). To find a foreclosure prevention counselor, visit the website of the NYS Division of Housing and Community Renewal at [www.dhcr.state.ny.us](http://www.dhcr.state.ny.us).

If you suspect that you or someone you know has been the victim of a scam, report it by calling the CPB hotline at 1-800-697-1220 or visit [www.loanscamalert.org](http://www.loanscamalert.org). ●