

# Consumer Protection

## Consumer Alert!

1-888-995-7856 **ALLIANCE**  
Credit Counseling

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**“Knowledge is power.”**

Have you ever felt like your rights as a consumer were violated? Where can you go to find help? Who can you trust for reliable information?

This publication contains brief descriptions of essential consumer protection laws and resources as well as key government and non-profit organizations.

### Consumer Rights

The following are some of the main laws that protect the rights of consumers. The descriptions are taken from the FDIC website (where you can also go to read the laws).

**Truth In Lending Act.** This law requires disclosure of the “finance charge” and the “annual percentage rate”—and certain other costs and terms of credit—so that a consumer can compare the prices of credit from different sources. It also limits liability on lost or stolen credit cards.

**Fair Housing Act.** This law prohibits discrimination on the basis of race, color, sex, religion, handicap, familial status or national origin in the financing, sale or rental of housing.

**Electronic Fund Transfer Act.** This law provides consumer protection for all transactions using a debit card or electronic means to debit or credit an account. It also limits a consumer’s liability for unauthorized electronic fund transfers.

**Equal Credit Opportunity Act.** This law prohibits discrimination against an applicant for credit because of age, sex, marital status, religion, race, color, national origin, or receipt of public assistance. It also prohibits discrimination because of a good faith exercise of any rights under the federal consumer credit laws. If a consumer has been denied credit, the law requires notification of the denial in writing. The consumer may request, within 60 days, that the reason for denial be provided in writing.



### Privacy Protection

Here are some ways to proactively maintain your privacy. The descriptions that follow are taken from the sources cited.

**National Do Not Call Registry.** The federal government has created the National Do Not Call Registry — a free, easy way to reduce the telemarketing calls you get at home. To register your phone number or to get information about the registry, visit [www.donotcall.gov](http://www.donotcall.gov), or call 1-888-382-1222 from the number you want to register.

**Opt Out.** To stop most pre-approved credit offers, you can request that your name removed from credit bureau marketing lists by calling 1-888-5OPTOUT (567-8688) or visiting [www.optoutprescreen.com](http://www.optoutprescreen.com). For additional opt out programs, visit [www.ftc.gov/bcp/online/pubs/credit/prescreen.shtm](http://www.ftc.gov/bcp/online/pubs/credit/prescreen.shtm).

**Spam.** Be cautious about email you receive. If you don’t recognize the sender or are not sure it’s safe, don’t open it. Don’t participate in chain email. To report unsolicited commercial email, forward it to: [spam@uce.gov](mailto:spam@uce.gov).

**Annual Credit Reports.** It is critical to monitor your credit reports. To obtain a free annual copy of your credit reports, go to the only authorized source: [www.annualcreditreport.com](http://www.annualcreditreport.com) or call 1-877-322-8228. Also, see our publication *Check Your Credit Reports* under To Find Out More.

**Identity Theft.** The FTC has a website where you can learn how you can deter, detect and defend against this type of fraud visit: [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft). If you suspect your personal information has been used to commit a crime, call the Federal Trade Commission ID Theft hotline: 1-877-IDTHEFT. Also, see our publication

**Fair Credit Billing Act.** This law establishes procedures for the prompt correction of errors on open-end credit accounts. It also protects a consumer’s credit rating while the consumer is settling a dispute.

**Fair Credit Reporting Act.** This law establishes procedures for correcting mistakes on a person’s credit record and requires that a consumer’s record only be provided for legitimate business needs. It also requires that the record be kept confidential. A credit record may be retained seven years for judgments, liens, suits, and other adverse information except for bankruptcies, which may be retained ten years. If a consumer has been denied credit, a cost-free credit report may be requested within 30 days of denial.

**Fair Debt Collection Practices Act.** This law is designed to eliminate abusive, deceptive and unfair debt collection practices. It applies to third party debt collectors or those who use a name other than their own in collecting consumer debts. Very few commercial banks, savings banks, savings and loan associations, or credit unions are covered by this Act, since they usually collect only their own debts. Complaints concerning debt collection practices should generally be filed with the Federal Trade Commission.

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*Identity Theft: What You Don't Know Can Hurt You* under To Find Out More.

## Government Organizations

There are several government organizations that provide consumer protection support and information. The descriptions that follow are taken from the sources cited.

**State, County and City Consumer Protection Offices.** City, county and state consumer offices offer a variety of important services. They might mediate complaints, conduct investigations, prosecute offenders of consumer laws, license and regulate professional service providers, provide educational materials and advocate for consumer rights. To save time, call before sending a written complaint. Ask if the office handles the type of complaint you have and if complaint forms are provided. To locate an office, check your phonebook or visit [www.consumeraction.gov/caw\\_state\\_resources.shtml](http://www.consumeraction.gov/caw_state_resources.shtml).

**National Association of Attorneys General.** Attorneys General are the chief legal officers of the states, commonwealths, and territories of the United States. Attorneys General serve as legal counselors to state government agencies and legislatures and as representatives of the public interest. If you wish to notify your state Attorney General of a crime, file a complaint or make an inquiry, you can obtain contact information at [www.naag.org/ag/full\\_ag\\_table.php](http://www.naag.org/ag/full_ag_table.php).

**National Consumer Organizations.** For a list of national consumer organizations visit: [www.consumeraction.gov/resprt2.shtml](http://www.consumeraction.gov/resprt2.shtml).

**Federal Trade Commission (FTC).** The FTC works for the consumer to prevent fraudulent, deceptive, and unfair business practices in the marketplace and to provide information to help consumers spot, stop, and avoid them. To file a complaint or to get free information on consumer issues, visit the website or call the toll-free number. The FTC records Internet, telemarketing, identity theft, and other fraud-related complaints in Consumer Sentinel, a secure, online database available to hundreds of civil and criminal law enforcement agencies in the U.S. and abroad. For more information, call 1-877-

FTC-HELP (382-4357) or visit [www.ftc.gov](http://www.ftc.gov).

**Federal Citizen Information Center (FCIC).** The FCIC publishes the free, quarterly Consumer Information Catalog, which lists more than 200 free and low-cost Federal booklets on a wide variety of consumer topics, and maintains a family of websites to help provide free, timely and useful information to citizens. Consumers can get the information they need in three ways: through printed publications, by calling toll-free 1-800-FED-INFO (333-4636), or by visiting [www.USA.gov](http://www.USA.gov), the U.S. government's official web portal.

**Federal Deposit Insurance Corporation (FDIC).** The FDIC is an independent agency created by the Congress that maintains the stability and public confidence in the nation's financial system by insuring deposits, examining and supervising financial institutions, and managing receiverships. The FDIC offers free online resources (including the *MoneySmart* program) for becoming a better informed consumer: [www.fdic.gov/consumers/consumer/index.html](http://www.fdic.gov/consumers/consumer/index.html).

**Consumer Guides and Protection.** For a list of information and services from the U.S. government visit: [www.usa.gov/Citizen/Topics/Consumer\\_Safety.shtml](http://www.usa.gov/Citizen/Topics/Consumer_Safety.shtml).

### FTC Consumer Complaints

1. Identity Theft (36%)
2. Shop-At-Home/Catalogue (7%)
3. Prizes/Sweepstakes and Lotteries (7%)
4. Internet Services and Computer Complaints (6%)
5. Internet Auctions (5%)
6. Foreign Money Offers (3%)
7. Advance-Fee Loans and Credit Protection/Repair (2%)

([www.ftc.gov/opa/2007/02/topcomplaints.shtml](http://www.ftc.gov/opa/2007/02/topcomplaints.shtml))

## Other Organizations

There are many non-profit organizations that provide consumer protection support and information. The descriptions that follow are taken from the sources cited.

**Better Business Bureaus.** The purpose of the BBB system is not to act as an advocate for businesses or consumers, but to act as a mutually trusted intermediary to resolve disputes, to facilitate communication, and

to provide information on ethical business practices. The BBB is a private, non-profit organization developed to monitor and report marketplace activities to the public. BBBs are licensed by the Council of Better Business Bureaus, and governed by their own local Boards of Directors. Funding for BBB activities is primarily derived from local business support. To contact your local office, check your phonebook or visit [www.bbb.org](http://www.bbb.org) or [www.consumeraction.org/bbb](http://www.consumeraction.org/bbb).

**Consumers Union.** Is an expert, independent nonprofit organization whose mission is to work for a fair, just, and safe marketplace for all consumers and to empower consumers to protect themselves. To achieve this mission, we test, inform, and protect. To maintain our independence and impartiality, CU accepts no outside advertising, no free test samples, and has no agenda other than the interests of consumers. CU supports itself through the sale of our information products and services, individual contributions, and a few noncommercial grants. For more information visit: [www.consumer.org](http://www.consumer.org) or call 1-914-378-2000.

**Consumer Federation of America.** The CFA is an advocacy, research, education, and service organization. As an education organization, CFA disseminates information on consumer issues to the public and the media, as well as to policymakers and other public interest advocates. Conferences, reports, books, brochures, news releases, a newsletter, and a website all contribute to CFA's education program. The website supplies free information about CFA work on dozens of issues. Specifically, it includes information about CFA, recent press releases, recent policy publications, recent consumer publications, state and local consumer groups, consumer cooperatives, and links to other consumer websites. Visit: [www.consumerfed.org](http://www.consumerfed.org) or call 1-202-378-6121.

**National Consumer Law Center.** The National Consumer Law Center (NCLC) is the nation's consumer law expert, helping consumers, their advocates, and public policy makers use powerful and complex consumer laws on behalf of low-income and vulnerable Americans seeking economic justice. While many publications are for sale, they also offer a considerable number of free ones at: [www.consumerlaw.org/issues/index.shtml](http://www.consumerlaw.org/issues/index.shtml).

NOT LEGAL ADVICE: Alliance provides general information, but does not provide legal advice. If legal advice is needed, seek assistance from a competent attorney.

## To Find Out More



- **FTC Bureau of Consumer Protection** website: [www.ftc.gov/bcp/consumer.shtml](http://www.ftc.gov/bcp/consumer.shtml)
- Read the following resources and articles available at our website [www.knowdebt.org/education.php](http://www.knowdebt.org/education.php):
  - Resource Center
  - Identity Theft: What You Don't Know Can Hurt You
  - How To Check Your Credit Reports
  - Help In Times Of Crisis