

The Maryland Consumer

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MCRC pushes for consumer rights in the Maryland General Assembly

MCRC is working hard during the legislative session to protect consumers' rights. We have testified for and against a host of legislation that affects people's lives, from things we encounter on a daily basis to protections we need during dire circumstances. The following is information about some of the bills we are supporting and opposing:

HB121 - Extending the period of Maryland's Automotive Warranty Enforcement Act (Lemon Law) from 15 months/15,000 miles to 24 months/18,000 miles - Consumers who experience repeated repairs after a new car purchase are not just inconvenienced. They also often lose time from work and must pay for the gas needed to repeatedly take the car to the dealership for repairs. To protect consumers from the prolonged cost and frustration that comes with the purchase of a "lemon," Maryland has joined every state in the country in passing a law that provides special rights to purchasers of car, the "lemon law." Maryland's current lemon law, however, falls short of many other states' laws in its protection of consumers.

HB208 - Fur Labeling Requirements for Articles of Clothing - Many Maryland consumers are morally opposed to the cruelty involved in the killing of animals for their fur to be used for clothing. When consumers purchase "faux fur" clothing, they

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Robin McKinney joins MCRC board



The Maryland Consumer Rights Coalition is happy to announce that **Robin McKinney**, director and co-founder of the Maryland CASH Campaign, joined its board of directors in January.

"We sought out Robin for our board because her organization helps Marylanders tackle many of the same issues that MCRC deals with in Annapolis as we urge lawmakers to pass legislation that protects consumer rights," said Charles Shafer, president of MCRC.

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Join us April 14 for a discussion about the credit crisis

MCRC is co-sponsoring *Beyond the Credit Crisis: Financial Institution Regulation for the 21st Century*, a day-long conference at the University of Baltimore that will present an overview of current public policy issues surrounding the reform and modernization of the financial regulatory structure.

Maryland Commissioner of Financial Regulations Sarah Bloom Raskin will address the conference as the keynote speaker and will discuss the nation's dual banking system and the particular challenges facing state chartered financial institutions.

Conference panelists will discuss the causes of the credit crisis and what is being done now to ease economic pressures, recent proposals to modernize the financial regulatory structure, and the effect of reform proposals on consumers as well as the tax-related aspects of financial crisis.

Admission is free. For details and to RSVP, go to www.marylandconsumers.org

The Maryland CASH Campaign (www.mdcash.org) is a coalition of organizations from around Maryland that believe working families deserve to have financial stability. The CASH Campaign provides free tax preparation, outreach about the Earned Income Tax Credit, and education about the dangers of Refund Anticipation Loans and other predatory lending practices. In addition they provide financial counseling and education. They advocate for more accessible and comprehensive financial services for low-income people.

“MCRC represents a critical voice for consumers in Maryland,” McKinney said. “I look forward to working with the board to advance a strong consumer protection agenda in Annapolis and around the state.”

McKinney lives in Columbia, MD, and has a Master of Social Work from the University of Maryland. She has served as director of the Maryland CASH Campaign since 2007. From 2006 to 2007 she was director of the Maryland Asset Building Initiative.

MCRC signs onto amicus brief in mandatory-arbitration case

One of MCRC’s top concerns is unfair mandatory-arbitration practices in which the deck is stacked against typical consumers. MCRC has signed onto an amicus brief in the **Addison v. Lochearn** case, which is now in the Court of Appeals of Maryland. The case involves a dispute between an elderly, ill woman and her nursing home. The case had originally been making its way through the court system when Lochearn Nursing Home attempted to move it into arbitration. The case is scheduled to be argued in early April.

expect that the garment will not contain the fur of any animal. This statute is carefully drafted to meet those consumer expectations while imposing only minimal requirements on merchants. The statute would not apply to used clothing, and it allows retailers to rely on assurances of manufacturers regarding fur content.

HB852 - Uniform Power of Attorney Act - It is crucial that consumers take precautions to protect their interests in case of physical or mental incapacity and to have a document that will be recognized by all institutions and doesn’t change from year to year. Under current law, consumers often face unnecessary obstacles in executing their plans for periods of incapacity. HB852 provides default provisions for durable powers of attorney and sanctions for financial institutions that fail to honor them. At the same time, the statute allows consumers the right to choose alternative provisions.

HB1048 - Consumer Contracts - Prohibited Provisions - This legislation would prohibit banks, credit-card companies and others from arbitrarily changing consumers’ interest rates based on the theory of universal default or other pretexts, and MCRC urges its passage.

SB239 – Prohibiting Establishment of Minimum Sale Price for Commodities or Services - Passage of this legislation will insure that in Maryland, the free market works to keep prices as low as possible. Unfortunately, the Supreme Court has recently overturned prior decisions that prevented manufacturers and merchants from conspiring to keep prices high. SB239 provides a simple way to preserve the status quo and protect competition.

SB706 - Mortgage Brokers - Finder's Fee – MCRC fought against this legislation, which ultimately received an unfavorable report by the Finance Committee and was withdrawn. The bill would have watered-down the hard-won restrictions on predatory lending previously enacted in Maryland.

SB938 - Transparency in Lawsuits Protection Act - One of our major responsibilities is to assure consumers that they will have access to justice. MCRC opposes SB938 because it closes one potential door for consumers. Courts can face a situation where the legislature has established a right but no effective remedy. In a very limited number of those cases, courts have found an implied right of action in the relevant legislation. This bill seeks to strip courts of that traditional authority. In addition, the bill may cause confusion and potentially forestall the development of tort law.

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Now you can receive email updates from MCRC

Consumers and their advocates may now receive daily email updates from MCRC's blog. Keep up-to-date on key legislation, learn about the latest scam alerts, and read consumer-related news articles. Sign up at our blog:

www.marylandconsumers.org

Reviewing 2008: A year of advocacy and education

The year 2008 brought legislative victories for MCRC, as well as the opportunity to continue our consumer-education seminars.

Of course, foreclosure was a central topic in the General Assembly last year, and MCRC participated in all state-level discussions surrounding the foreclosure crisis, including participation in the hearings of the **Governor's Task Force on Foreclosure Laws** that took place at the Department of Housing and Community Development. These hearings helped bring about new statutes that give homeowners better notice when foreclosure is imminent and increased time to respond to notices of foreclosure. These new time frames allow for consumers to obtain counsel and provide a proper reply to a notice of foreclosure.

MCRC was also appointed to the **Governor's Task Force on Identity Theft**. This task force proposed legislation to modify the criminal and civil procedures for the filing of actions against identity thieves. The task force also recommended changes in the rules of evidence in criminal prosecutions of identity theft. The Identity Fraud Act was successful in the General Assembly and was signed by the governor.

In our role as educators, in 2008 MCRC conducted many seminars, titled "**Credit Health Builds Wealth**," in which our educators explain to consumers the importance of healthy credit scores and give them information – in simple, clear terms – about how to get their finances organized and improve their credit scores. This not only allows consumers to get lower interest rates when seeking credit, it can also make the difference in obtaining a security clearance, having a rental application accepted and getting out of Section 8 housing, or getting a job.

Our **Annual Meeting and Awards Program**, held in September, was a chance to honor those who have fought so hard on behalf of consumers. **Civil Justice Network Executive Director Phillip Robinson** was named the Denis J. Murphy Consumer Advocate of the Year for his efforts to save families from foreclosure and scams related to foreclosure rescue. **Delegate Doyle L. Niemann** of Prince George's County was honored as Consumer Legislator of the Year. Delegate Niemann was a key player in helping pass a comprehensive set of foreclosure reforms in the General Assembly during the 2008 session. And **Sydell Rappaport** was also honored for her volunteer work with the Montgomery County's Office of Consumer Protection. Rappaport is a former Deputy Attorney General for New Jersey's Office of Consumer Protection.

Looking ahead, along with working for more legislative reforms in the General Assembly for 2009, MCRC is hoping to garner funding to completely revamp its Web site and utilize the power of the Internet as a tool for both advocacy and education. In these uncertain economic times, it is more important than ever that consumers are protected and that they have the tools to manage their finances.

MCRC creates new blog to serve consumers and their advocates

MCRC has created a blog to aid in its ongoing efforts to keep consumers abreast of policies and practices that affect their finances and their rights. It also serves as a way to keep consumer advocates up to date on legislative issues, including bills that MCRC is following in the Maryland General Assembly.

We're gathering information from news sites, such as *The Baltimore Sun* and *The Washington Post*, as well as from local and national consumer-related advocacy organizations, including the Maryland Attorney General's Office and the Consumer Federation of America. We welcome your input, too; we encourage you to send us links to newsworthy items to post, as well as your thoughts on pieces you've read on the site.

Our blog will also serve temporarily as our main website, which is under construction.

Visit us at www.marylandconsumers.org.

Save the date!

MCRC's Annual Dinner and Awards Ceremony will be September 24

We hope you will join us on September 24, 2009, for our Annual Dinner and Awards Ceremony at The Meeting House in Columbia. As in past years, it will be an opportunity to honor the lawmakers and advocates who have worked so hard on behalf of consumers.

It's also a wonderful way to support the work of MCRC and to network with the leaders of the local consumer-rights community.

Check our website, www.marylandconsumers.org, for details.



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