

September 2007



DCSD

Debt Counsel for Seniors & the Disabled

IMPORTANT INFORMATION ABOUT THE CAREGIVER AGREEMENT

In our June Newsletter we informed our clients of the advantages of a caregiver agreement. If you are interested in a caregiver agreement we will need the following information:

**Stationary Home:
Plot or Parcel Number**

**Mobile Home:
Name of mobile home, model
number, VIN number.**

SPECIAL NOTICE IF YOU LEAVE A MESSAGE ON DCSD VOICEMAIL

We are receiving a number of voice mail messages from DCSD clients who leave telephone numbers to call back. Unfortunately some of these calls are not returned because the client leaves a phone number, which is wrong. From now on if you leave a voicemail make sure you tell us your client ID number on the message, so we can call you back.

Jerome S. Lamet

Banks gain from increase in overdraft charges

Have we all lost the ability to balance our checkbooks? In just two years, the amount of overdraft fees collected by the largest banks has increased by 70 percent, according to a recent study by the Center for Responsible Lending. That's billions a year from our pockets to our banks. This is not by happenstance. It's a big change from the past.

Consumers in 2006 paid \$17.5 billion a year in overdraft fees, according to the Center for Responsible Lending's study of a database of transactions at the nation's 15 largest banks. That's up from 10.3 billion in 2004. "These are high-cost loans that many customers didn't ask for and don't want," Halperin said. Contributing to it, the organization said, is a growing use of check-clearing techniques that make it easier to overdraw your account.

Say you have three outstanding checks that arrive at your bank on the same day, when your balance is \$100. One is for \$15, another for \$30 and a third for \$90. A bank that uses a highest-to-lowest method would first clear the \$90 check, so then the next two checks would trigger overdraft fees. If the bank had gone from lowest to highest, two checks would have cleared and there would only have been one overdraft.

Is the abuse, as the center says, or is it your responsibility to make sure you have sufficient funds in your account? After all, you can check your balance any time, by phone at an automated-teller machine or online. Banks say people want their debit transactions approved when they have insufficient funds rather than "face the consequences of not being able to pay for a meal they have just consumed or the groceries that have been rung up and bagged," Nessa Feddis from the American Bankers Association, told a congressional hearing on the issue.

A bill from Rep. Carolyn Maloney (D-N.Y.) would require banks to tell people at the ATM and possibly at the checkout counter when their accounts run dry. It would also prohibit banks from charging overdraft fees unless customers have agreed to pay them. And it would ban the highest-check-first clearing order and direct banks not to delay posting deposits so that overdrafts result.

Watch your balance

Tips to avoid overdraft charges from a debit card transaction:

- Check your balance often, even daily.
- Use your bank's telephone service.
- Try electronic alerts. Some banks will send you a text message or e-mail when your balance reaches a certain level. You set the level. The service is free.

Comments By The National Consumer Law Center about the Federal Trade Commission Enforcement Of Fair Debt Called Practice Act

The current combination of few FTC enforcement actions against only the most blatant violators, combined with private enforcement of both the Fair Debt Collection Practices Act (“FDCPA”) and state laws, clearly does not provide sufficient restraints on the bad practices in the collection of debts in this nation. As the FTC has noted, the abusive activities of debt collectors have consistently been the leading cause for complaint year to the FTC....

Debt collection has become a hugely profitable business. There are few meaningful restraints on the abuses in this industry. As is evident from consumer complaints, *many debt collectors believe they can make more money when they intimidate, threaten criminal prosecution, harass, and collect fees and charges far in excess of the real debt.* Even more startling, debt buyers have learned to work the system to win judgments and coerce payments *even when they have the wrong person or lack any evidence that consumer owes the debt.* Even when a debt collector violates the law, the chances of being caught are minimal and the consequences are cheap....

The FTC recognizes that its own enforcement actions – pursuant to both the FDCPA and under Section 5 of the FTC Act – to protect consumers are only a part of the overall scheme that limits inappropriate behaviors in the collection of debts. Private enforcement efforts are a critical partner in establishing restraints on the abusive collection of debts. The primary tool available for individual enforcement is the FDCPA. State laws do provide some additional redress relating to some activities in the states in which they apply, but these protections are also insufficient to address the mounting problems.

CLIENTS OF DCSD ARE PROTECTED FROM THE ILLEGAL ACTIVITIES OF DEBT COLLECTORS AS DESCRIBED ABOVE. WE PROTECT YOUR RIGHTS AND STOP HARASSMENT AND ABUSE.

REFER A FRIEND AND/OR FAMILY MEMBER & RECEIVE \$10 OFF YOUR NEXT BILLING STATEMENT! HELP SAVE THEM FROM THE STRESS & THREATS OF DEBT COLLECTORS

Fill out the required information & send this coupon to the DCSD office with your monthly fee

Your Name: _____

Your Client ID: _____

Name of Referral: _____

Address of Referral: _____

Phone Number of Referral: () _____

If the person (s) you refer join DCSD you will receive \$10 off your next billing statement. **REFER BY PHONE AND TO SYLVIA AT 1-800-992-3275 ext. 1700**

Important Notice From Edelman, Combs, Lattuner & Goodwin, LLC

We are looking for attempts (by anyone) to sue or threaten suit on cell phone bills more than 2 years old (the limitations period applicable under the Communications Act)

