



FY 2008/2009 ANNUAL REPORT *of the* New York State Consumer Protection Board

David A. Paterson
Governor
Mindy A. Bockstein
Chairperson and
Executive Director

Advocating for and Empowering NY Consumers

Homepage/Welcome

"The CPB has become a prime resource for consumers, businesses, the media, and government leaders..."
Mindy A. Bockstein, CPB Chairperson and Executive Director



Welcome to the Annual Report of the New York State Consumer Protection Board (CPB) for Fiscal Year (FY) 2008/2009, which highlights the important work of the State's consumer watchdog and "think tank" Agency in the Executive Branch for the period of April 1, 2008 through March 31, 2009.

As you review the CPB's paperless Annual Report, you will note it has been a very busy and challenging year for us. Our broad agenda has enabled Agency staff to advocate for New Yorkers on the federal, State, and local levels, affecting policy and helping to craft new laws to protect the rights and privacy of New Yorkers. Despite uncertain economic times and shrinking fiscal resources, the Agency has been at the forefront of major issues such as credit card reform, identity theft and data privacy protections, telemarketing abuses, scam prevention, the transition to digital television, and many other matters facing consumers across the State and nation.

Our Agency has also been troubleshooting individual consumer complaints and intervening to assist many who are trying to deal with economic hardships. From hard-working families encountering aggressive debt collectors to seniors living on fixed incomes and experiencing heat-related troubles, from young adults facing credit card billing disputes to single mothers having appliance repair problems, the Agency comes to the rescue of thousands, securing refunds, credits, and services.

Collaborative efforts with public and private organizations have extended the reach of the CPB and maximized the impact of the Agency on New Yorkers. Equally impressive is our focused effort to inform and engage underserved consumers in the Latino and Asian communities, as well as individuals with visual impairments across the State.

With fiscal and privacy concerns on the minds of the public, the CPB has become a prime resource for consumers, media, government, and business leaders, and is often recognized for its work on behalf of all New Yorkers. This past year, the Agency achieved numerous accomplishments, including issuing a widely acclaimed information privacy guide for businesses, releasing an innovative and popular program to advance financial literacy for youngsters, and receiving the Award of Excellence in Records Management from the New York State Board of Regents and Archives.

It is therefore my pleasure to present the CPB's 2008/2009 Annual Report. As we approach our 40th Anniversary year, I salute my dedicated staff whose tireless efforts make a daily difference in the lives of New Yorkers, and reaffirm our commitment to advocating for and empowering consumers for greater opportunity in a stronger New York.

I invite you to contact us with questions on any of the information detailed herein or if we can be of further assistance to you in mediating marketplace problems, advancing policy development, or conducting educational programs.

Sincerely,

Mindy A. Bockstein
Chairperson and Executive Director

New York State Consumer Protection Board

Advocating for and Empowering NY Consumers

5 Empire State Plaza, Suite 2101, Albany, NY 12223

www.nysconsumer.gov 1-800-697-1220





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Letter from the Governor

"We have the responsibility to protect New Yorkers..."
David A. Paterson, Governor



Governor David A. Paterson and Chairperson Bockstein alerted consumers to tax preparation protections and services in March 2009.

Dear Friends:

During the past year we have faced unprecedented challenges. When I took office in March, I immediately recognized the depth of the fiscal crisis, and initiated dramatic steps to deal with it.

As the saying goes, challenge creates opportunity. Thus, I turned to the Consumer Protection Board (CPB) on many occasions to help me protect the public good. Each time the Agency took up the gauntlet, and together we achieved dynamic results on behalf of New Yorkers.

This past year we created new laws and regulations to protect New Yorkers from identity theft, unsafe or hazardous toys and other durable children's products, foreclosure, unscrupulous tax preparers, questionable utility marketing practices and more, as is clearly demonstrated in the CPB's 2008/2009 Annual Report.

The Report highlights the CPB's important work. I commend the Agency, under the direction of Chairperson and Executive Director Mindy A. Bockstein, as well as its staff for their steadfast efforts to protect New York consumers, and look to its leadership for continued excellence in the coming year.

Respectfully,

David A. Paterson
Governor

New York State Consumer Protection Board

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Advocating for and Empowering NY Consumers

About the CPB

Mission, Statutory Authority and Goals

It's all hands on deck for the CPB when it comes to educating, mediating, protecting, and intervening on behalf of New York consumers.



Mission

The New York State Consumer Protection Board (CPB), established in 1970 by the New York State Legislature, is the State's top consumer watchdog and think tank. The CPB's core mission is to protect New Yorkers by publicizing unscrupulous and questionable business practices and product recalls; conducting investigations and public hearings; enforcing the Do Not Call law; researching issues; developing legislation; creating consumer education programs and materials; responding to individual marketplace complaints by securing voluntary agreements; and, representing the interests of consumers before the Public Service Commission (PSC), and other State and federal agencies.

Statutory Authority

The powers and duties of the Consumer Protection Board (CPB) are set forth in New York State law. The CPB advocates for and empowers New Yorkers and represents the interests of consumers before federal, State, and local administrative and regulatory agencies, and has the authority to:

- ✓ Accept and respond to consumer complaints;
- ✓ Perform investigations, research, studies, and analysis of matters affecting the interests of consumers;
- ✓ Enforce the New York State Do Not Call law;
- ✓ Receive notifications of data breaches involving New Yorkers;
- ✓ Initiate, intervene, or participate in any proceedings before the PSC to the extent such participation is authorized by Public Service Law, Sections 24-a (notice of rate increase to be given to CPB), 71 (quality of service), 84, or 96 (telephone corporation);
- ✓ Conduct product research and testing, and enforce applicable provisions of the Children's Product Safety and Recall Effectiveness Act;
- ✓ Recommend consumer protection legislation and provide policy advice to the Governor on issues of concern to consumers;
- ✓ Form and participate in advisory councils to help effectuate consumer policy change; and,
- ✓ Encourage businesses to maintain high standards of honesty, fair practices, and public responsibility in the production, promotion, and sale of consumer goods and services.

The CPB serves on several advisory boards and councils to advance the interests of New York consumers. Consistent with its mission, the CPB is a member of the Governor's Halt Abusive Lending Tactics Task Force, Council on Food Policy, the Milk Marketing Advisory Council, and the Children's Cabinet.

The CPB also participates as a member of the following advisory boards and councils in its capacity as the consumer advocate in the Executive Branch: the NYS Energy Research and Development Authority's Technical Review Group for the Energy Analysis Program, the Board of Directors of the Targeted Accessibility Fund, the New York Independent System Operator, the Long Island Power Authority's Major Storm Review Panel, the Steering Committee of the Low-Income Forum on Energy, the Natural Gas Reliability Advisory Group, the Evaluation Advisory Group for the Energy Efficiency Portfolio Standard of the PSC, the NYS Real Estate Board, the Hearing Aid Dispensing Advisory Board, Interagency Small Business Task Force, and the Proprietary School Advisory Council, among others.

Goals

The Consumer Protection Board (CPB) will continue its mission of assisting and educating New York consumers on myriad issues of importance in their daily lives.

To meet public needs and concerns, the Agency will provide:

- ✓ high quality, cost-effective services and programming
- ✓ timely intervention
- ✓ measurable results
- ✓ sound policy advocacy and expert commentary
- ✓ current information and cutting-edge resources
- ✓ information privacy guidance for consumers and businesses
- ✓ environmentally conscious policies and procedures

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Advocating for and Empowering NY Consumers

Executive Summary

Given the economic climate in 2008 and 2009, there is little question about the importance of consumer protections to assist the general public and to encourage consumer confidence in the marketplace. New York State's richest resource is its people, but regardless of which demographic they represent, people from all walks of life have suffered the consequences of the national crisis in the economy. As a result, during Fiscal Year (FY) 2008/2009, more people have reached out to the Consumer Protection Board (CPB) for resolution of their marketplace complaints, guidance, information, and expert advice on myriad consumer issues than in previous years.

Indeed, notwithstanding fiscal constraints, the CPB continues to deliver on its broad mission as the consumer watchdog and "think tank" Agency in the Executive Branch. Through our efforts, individual consumers have enhanced access to the necessary tools to help them recognize and avoid fraud, navigate the rough waters of the economy, and make informed decisions in the brick and mortar and online marketplace. The CPB also affords the business community direction and support to maintain fair and honest transactional and information security practices, and to help them inspire customer trust.

This past year, the CPB advocated for and empowered New Yorkers by intervening in the marketplace, advancing economic security, safeguarding information and privacy, addressing energy and new technologies challenges, and engaging the public in emerging consumer issues. Among other things, the CPB:

- ✓ Fielded more than 53,000 inquiries from New York consumers through its Consumer Assistance Unit;
- ✓ Recouped more than \$1.3 million for beleaguered consumers through voluntary mediation;
- ✓ Achieved new laws and expanded protections for consumers in the area of product safety and recalls, tax preparers, and identity theft;
- ✓ Provided homeowners with direct access to advice and resources to help prevent home improvement, refinancing, and other related scams;
- ✓ Aggressively pursued and achieved national credit card reform;
- ✓ Advanced initiatives to spur development of supermarkets in underserved communities;
- ✓ Improved the outlook for a more financially secure future through its widely recognized "Banking on Our Children" program;
- ✓ Worked for textbook pricing reform for college students;
- ✓ Created data breach and privacy guidance for businesses, becoming one of only three states in the nation to do so, and receiving national accolades for its efforts;
- ✓ Redoubled its efforts to provide consumers with scam alerts and information to help prevent the trauma of victimization and financial loss;
- ✓ Enforced the Do Not Call law in New York State, securing approximately \$125,000 in penalties and helping to increase the number of New York registrations from 2,131,061 in 2007 to 2,291,178 in 2008;
- ✓ Established the Identity Theft Prevention and Mitigation Program;
- ✓ Held free public shredding events throughout the State to help consumers guard against dumpster diving and possible identity theft and fraud;
- ✓ Increased its vigilance of and public alerts regarding security breaches that had the potential to cause New Yorkers significant harm;
- ✓ Advocated for consumer protections and low-income supports with the major regulated utilities operating in New York State;
- ✓ Alerted the public about issues affecting their energy supply and rates at the New York Independent System Operator (NYISO);
- ✓ Achieved major energy service company (ESCO) marketing and business practice enhancements;

- ✓ Urged the federal government and helped achieve a delay in the transition to digital television on behalf of thousands of New Yorkers who would have been left without service;
- ✓ Reached underserved populations by expanding its outreach, education, and media efforts within the Hispanic, Asian, and visually impaired communities;
- ✓ Raised awareness about credit access, identity theft, product safety, Do Not Call and general consumer issues through public service, multi-media, and press announcements; and,
- ✓ Developed strategic relationships with numerous public and private organizations and trade associations to maximize its reach and impact on consumer protections in the State of New York.

This Annual Report details these accomplishments and more. Indeed, over the FY 2008/2009, the CPB initiated, crafted, executed and delivered more than it has ever done before to provide supports and services to New Yorkers. The large number of consumers who rely on the CPB underscores the Agency's heightened profile and affirms the importance and breadth of its work in policy, oversight and enforcement, communications, representation, and intervention on behalf of the people of the State of New York whom it is our honor to serve.

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Advocating for and Empowering NY Consumers

Intervening in the Marketplace

Direct Assistance and Restitution
More than 53,000 calls were received and more than \$1.3 million was recouped for New Yorkers.



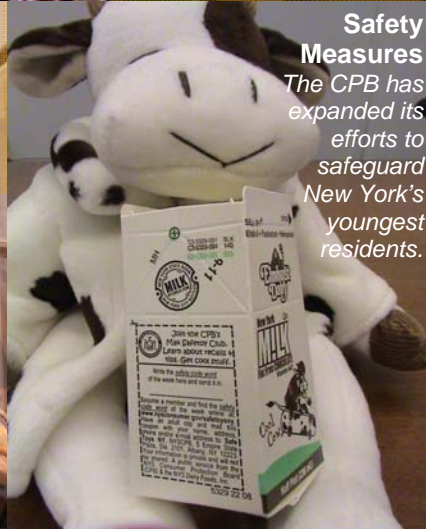
Healthy Food Access
Access to healthy food is limited in urban and rural areas. Learn how the CPB is contributing to solutions.



Home Ownership and Improvement
Consumers spend millions annually on their homes. The CPB offers tips and tools to help people get the most for their hard-earned money.



Safety Measures
The CPB has expanded its efforts to safeguard New York's youngest residents.



The mission of the Consumer Protection Board (CPB) is focused on protecting New Yorkers through direct assistance, mediation, and advocacy. The CPB partners with businesses and membership organizations such as the NYS Builders Association, the NYS Dairy Council, and the NYS Retail Council to advance compliance with consumer protection laws and policies, and to strengthen the marketplace for consumers and reputable businesses. The Agency has earned a reputation as a valuable resource for all segments of New York's population.

Many consumers turn to the CPB regularly as their first line of defense, and for some, the Agency's Consumer Advisors are the initial point of contact within New York State government.

New York State Consumer Protection Board

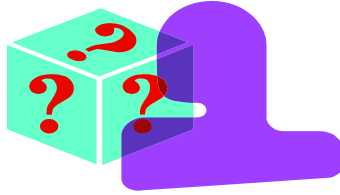
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Advocating for and Empowering NY Consumers

Intervening in the Marketplace
Direct Assistance and Restitution



Resolution of Common Complaints and Inquiries

The CPB provided information and assistance to New Yorkers regarding numerous issues such as credit cards, Do Not Call, identity theft, home improvement, utility services, and more this year.



Restitution Achievement

The CPB saved New Yorkers more than \$1.3 million this year through voluntary mediation by the Agency's Consumer Assistance Unit.



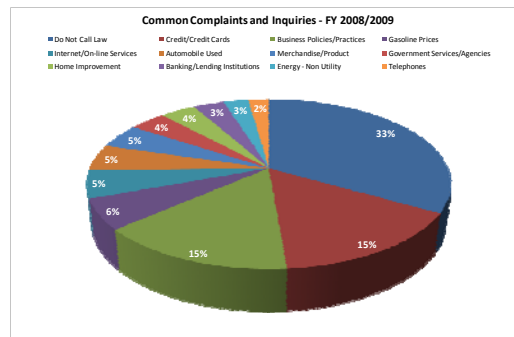
Consumer Stories

The CPB made a significant difference for thousands of New Yorkers this year. Read some highlights

Mounting job losses during this economic crisis have affected consumer confidence. New Yorkers are dealing with economic hardships and reaching out to the Consumer Protection Board (CPB) in large numbers for assistance, guidance, and resolution of their marketplace problems.

The CPB's Consumer Advisors responded this past year to an increase in individual complaints and queries received via the Agency's website, fax or mail, and through our bilingual toll-free hotline. Voluntary mediation is used to reach satisfactory resolutions of marketplace complaints for consumers and businesses.

The Agency's Consumer Advisors work closely with the CPB's other divisions to help assure that any complaints indicating fraud are investigated and that other consumers are alerted to prevent victimization.



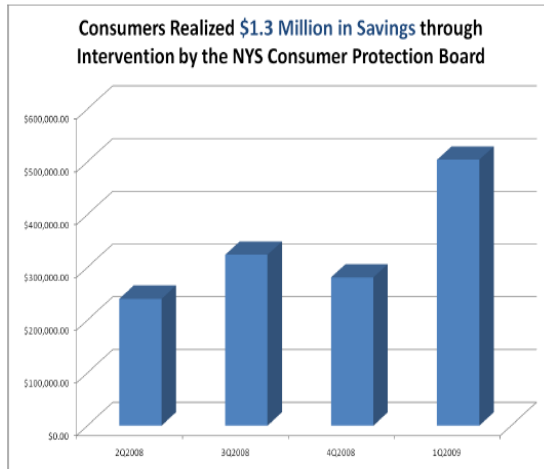
Resolution of Common Complaints and Inquiries

During FY 2008/2009, the Consumer Protection Board (CPB) received more than 53,000 calls to its toll-free bilingual consumer hotline from New Yorkers seeking information, direction, and assistance on myriad issues.

With the call volume at an all-time high, the CPB has assured that the quality of the services it provides has not diminished. Consumers spend far less time waiting on hold to speak with a live Consumer Advisor when they call the CPB than at other establishments. In fact, calls to its toll-free Consumer Assistance Hotline are answered by trained experts in an average of 23 seconds. This stellar response time is compared with the telecommunication industry where the average hold time is 3.17 minutes. The Agency continues to yield positive feedback from New Yorkers who reach out to the CPB on many consumer issues and achieve successful outcomes. During the past year, an average of 98% of the cases were closed to the satisfaction of consumers within 90 days.

Of the universe of complaints and inquiries received, nearly one-third were related to Do Not Call issues, which continues to top the list of subjects raised by the public. The issue of credit and credit cards represented approximately 15% of complaints and inquiries received by the CPB over the year-long period. This can be directly attributed to badly needed credit card industry reform, for which the CPB aggressively advocated on the federal level.

During FY 2008/2009, Government Services and Telephone issues registered on the CPB's top ten subject list with nearly 600 consumer complaints and inquiries. In addition to contacts made to the Agency about the Do Not Call law, credit cards, government services and telephone issues, consumers most often reached out to the CPB regarding home improvement, Internet or online services, membership contracts and clubs, merchandise and products, energy or utilities, automobiles, business policies and practices, gasoline prices, and banking or lending institutions.



Restitution Achievement

The Consumer Protection Board's (CPB) voluntary mediation efforts between consumers and businesses have assisted thousands of New Yorkers this past year. Through our intervention, the Agency achieved significant savings for consumers in the form of refunds, rebates, credits, and avoided costs, which in FY 2008/2009 totaled more than \$1.3 million. These savings impact the lives of consumers who suffer from real hardship.



Consumer Stories

The Consumer Protection Board (CPB) was contacted in February 2009 by a senior citizen residing in Queens, New York, who sought help in addressing a fraudulent credit charge. This consumer, a retired New York State teacher on a fixed income, was caring for her 84 year old husband and 13 year old granddaughter. She responded to an advertisement from Grant Writers Institute (GWI) for home improvement "grants" that she thought would allow her to receive low-cost home improvements on her aging home. After submitting the paperwork, she conducted Internet research on the company and found that GWI had a very poor rating with the Better Business Bureau (BBB). According to the BBB, it was doing business under several names and only sends a list of places where people can apply for money. She immediately contacted the company to cancel her application, but GWI insisted that she could not cancel even though she never signed the final paperwork. She supplied them with some background information regarding her household income and personal identifiers such as her Social Security number. GWI informed her that it had already charged her credit card for \$1,100 and "it could not be reversed." The upset consumer sought help from the office of Congressman Gregory Meeks.

Upon receipt of this complaint, a CPB Consumer Advisor contacted the credit card company to inform the creditor that the consumer had been scammed by a government grant fraud operation and directed them to reverse the charge on her credit card. The CPB succeeded in getting the credit card company to comply.

A small business owner in New York City was convinced by a salesperson from an energy service company (ESCO) to sign up with US Energy Savings Corporation in order to save thousands of dollars on his monthly utility bill. Within the first month, the owner saw no discount. The bill was actually higher than when he was receiving service from Con Edison. The owner immediately contacted US Energy Savings Corporation to cancel his new utility contract. They agreed to cancel his contract but advised that he would have to pay a cancellation fee of \$30,912. The owner tried on several occasions to get this exorbitant fee reduced, but to no avail. In total frustration, he contacted the CPB. In less than two weeks, the CPB was able to mediate his complaint and get the contract canceled without an assessment of a termination fee. The business owner was extremely relieved and called the Agency's Consumer Advisor personally to thank her.

The CPB received a complaint from a senior citizen from Rushville, New York in Yates County, regarding a bill for \$1,197 for magazine subscriptions she never ordered. Although she had a previous magazine subscription with the company, she did not order this volume of subscriptions. After speaking directly with the company, the consumer was told she had "agreed to these subscriptions over the phone" and would be held to the verbal contract. The company informed the senior citizen that she would have to pay the outstanding bill of \$1,197 or her bill would be sent to collection. She immediately contacted the CPB, filing a formal complaint against the company. Through mediation, the CPB had the contract canceled without a penalty for the consumer. The senior citizen wrote to our Consumer Advisor conveying her deep appreciation for the successful resolution of her complaint. She had feared that this large debt would go to collection and adversely affect her credit rating.

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Advocating for and Empowering NY Consumers

Intervening in the Marketplace Healthy Food Access



Food Advocacy

The CPB is an active member of the Governor's Council on Food Policy and other committees to provide the consumer perspective to important networks of producers, State entities and private agencies.



Healthy Foods/Healthy Communities

New York's "food deserts" can be found in both urban and rural settings around the State. The CPB has been instrumental in assisting the Governor in addressing this issue, providing the framework for reform.

Unraveling the Mystery of Food Terminology

Food terms can be misleading for consumers. The CPB's actions helped the public understand the meaning of words like 'natural' or 'organic' before spending their hard-earned money.



Supermarket and food access points are increasingly limited in certain areas of New York State, affecting the diets and health of underserved populations, and creating "food deserts" in large urban and remote rural communities in the State.

The Consumer Protection Board (CPB) has significantly contributed to increasing access to healthy food for New Yorkers in the past fiscal year through advocacy, research, policy development, and partnerships.

Food Advocacy

The New York State Council on Food Policy

As a member of the New York State Council on Food Policy (Council), which was convened by Executive Order of the Governor, the Consumer Protection Board's (CPB) Chairperson and Executive Director, Mindy A. Bockstein assists in establishing new food policies for the State to help assure the availability of safe, fresh, nutritious, and affordable food for all New Yorkers, especially low-income individuals, senior citizens, and children. The Council makes recommendations to the Governor on State regulations, legislation, and budget proposals, with the intent of improving existing food production and delivery systems; enhancing the availability of safe, fresh, nutritious, and affordable food; and, expanding the sale of locally grown products. The CPB works on a subgroup within the Council aimed at increasing the connection between local food products and consumers.

New York Supermarket Commission

The CPB also served on the New York Supermarket Commission, a group of leaders from The Food Trust, the United Way, and other representatives of the supermarket industry, government, and civic sector seeking methods of retaining and stimulating supermarket development around the State. The Commission's work culminated in nine recommendations to support New York's commitment to protecting the health and welfare of its families and children and was the platform from which Governor Paterson launched his bold Healthy Foods/Healthy Communities Initiative. A highlight of the initiative involves a \$10 million revolving loan fund to help spur development of supermarkets and other food access points in underserved communities throughout the State. With strong leadership and dedicated resources from New York State, new supermarkets and quality food stores can improve people's health, create jobs, and contribute to community revitalization.

Milk Marketing Advisory Council (MMAC)

The CPB is an active member of the Milk Marketing Advisory Council (MMAC) of the NYS Department of Agriculture and Markets (Ag and Markets). The Council is comprised of associates from dairy manufacturing, processing, and production sectors in addition to representatives of milk consumers and retailers. It advises the Ag and Markets' Commissioner on pertinent policy issues impacting New York's dairy industry, as well as provides a forum for communicating and networking among dairy industry leaders and consumers. In the past year, the CPB has been involved in discussions pertaining to milk hauling, pricing, and milk labeling.

Healthy Foods/Healthy Communities

In a nationwide study of 21 metropolitan areas analyzed by zip code conducted by The Food Trust, the number of supermarkets in the lowest-income neighborhoods was almost 30 percent less than the number in the highest-income neighborhoods. For example, New York City has lost one third of its supermarkets in the last five years, helping to create nutritional wastelands and contributing to diet-related chronic diseases.

To address the issue, Governor Paterson announced in his 2009 State of the State message the creation of the Healthy Foods/Healthy Communities initiative that aims to ease the food access deficit and combat associated diet-related health problems. The initiative is a bold first step towards creating equality in the marketplace that for decades has seen wide variability in access and price to healthy foods throughout New York State. As an active member of Governor Paterson's Council on Food Policy, the Consumer Protection Board (CPB) has worked closely with State and municipal partners and with the food industry and hunger advocates to create a series of proposals to address this issue and has provided the framework for a revolving loan initiative to be offered by the State to seed the growth of food access points.

Unraveling the Mystery of Food Terminology

According to CNNMoney, American families spend approximately \$5,340 per year on groceries alone - - that's for food, not other items such as personal care, health, pet, or baby products. Especially in this economy, the Consumer Protection Board (CPB) determined that consumers should have a better understanding of the items for which they spend their limited resources. Therefore, the CPB worked with Price Chopper Supermarkets to bring its *Guide to Food Terminology and Consumer Information* pamphlet entitled *You Are What You Eat!* to all 71 Price Chopper supermarkets located in New York State.

You Are What You Eat! helps consumers make decisions based on simple and accurate information. Written by the CPB, with the assistance of the NYS Department of Agriculture and Markets, the brochure's distribution to New Yorkers through Price Chopper Supermarkets marks a public/private partnership geared toward managing food costs. The Agency also made this pamphlet available to hunger advocates for their clients, community-based organizations, schools, and others.

The CPB took this action based on the well-documented notion that a better understanding of purchases can lead to savings. According to a report issued by the United States Department of Agriculture (Department) on November 25, 2008, entitled *Food CPI, Prices, and Expenditures: Analysis and Forecasts of the CPI for Food*, "In 2008, the Consumer Price Index (CPI) for all food is projected to increase 5.0 to 6.0 percent, as retailers pass on higher commodity and energy costs to consumers in the form of higher retail prices for most of the year." The Department forecasted that, by year's end, "food-at-home prices" would increase in 2008, and speculated that costs would be passed on to consumers in 2009.

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Advocating for and Empowering NY Consumers

Intervening in the Marketplace
Home Ownership and Improvement



"Ask the Expert"

The CPB worked collaboratively with the NYS Builders Association to provide answers to home improvement questions posed by consumers.



Consumer Tool Kit

Consumers can now learn how to help protect themselves from unethical contractors through the CPB's Consumer Tool Kit and other resources.



Foreclosure Assistance

The CPB is providing information and advocating for consumers regarding the foreclosure and subprime mortgage crisis.

Inappropriate lending practices contributed to the nation's current financial crisis. During these troubling economic times, consumers are even more conscious of the need to protect their investment and equity in their homes. The CPB is assuring through its resources and direct assistance that consumers are forewarned and prepared before they purchase a home, refinance their property, or engage a home improvement contractor.

"Ask the Expert"

With mounting consumer complaints regarding home improvement contractors (HIC), in June 2008, the Consumer Protection Board (CPB), in conjunction with the NYS Builders Association (NYSBA), announced its "Ask the Expert" program to provide consumers who are looking for reliable project information assistance to help assure they spend their money wisely. The CPB's "Ask the Expert" program provides consumers with the opportunity to submit questions regarding home improvement projects via a dedicated e-mail address at asktheexpert@consumer.state.ny.us. The CPB's "Ask the Expert" web portal provides updates on Frequently Asked Questions (FAQ) where answers to consumers' questions and other information are posted regarding remodeling, refinishing, electrical, floor coverings, painting, plumbing, heating and cooling, among others. The response to the "Ask the Expert" program proved its worth, and the CPB continues to receive queries for this initiative.

Consumer Tool Kit

During these difficult economic times, consumers are even more concerned about the equity in their homes. The Consumer Protection Board (CPB) is assuring through its resources and direct assistance that consumers are alerted and prepared before they engage a home improvement contractor or begin an improvement project. Over the past year, the CPB's Home Tool Kit, a web-based program that highlights warning signs of potential contractor problems as well as lines of persuasion used by unethical contractors, was expanded to include a Home Maintenance Series. These new resources give guidance on proper upkeep of a home, including information on installing and maintaining smoke and carbon monoxide detectors and warning signs of electrical hazards. Worthy of note is the Agency's Sustainable Household Solutions, which presents tips for "green cleaning" and received special attention on Earth Day 2008.

Foreclosure Assistance

Economic hardships and unemployment have contributed to the large numbers of mortgage defaults and foreclosures. Public policy and educational efforts on the part of the CPB and others are aimed at assisting distressed homeowners in keeping their homes. Through his continued efforts, Governor Paterson has demonstrated his acute awareness that the foreclosure crisis, which is also affecting the value of other homes in communities across the State, has the potential to prolong the downturn in the economy.

Resources

In response to the foreclosure and subprime mortgage crisis, the Consumer Protection Board (CPB) is providing assistance and resources. In order to help consumers in advance of purchasing or refinancing their homes, a presentation and accompanying resources were made available online through the Agency's website.

Halt Abusive Lending Transactions (HALT) Taskforce

The CPB continues to be an active participant on Governor Paterson's Halt Abusive Lending Transactions (HALT) taskforce, which is a coalition of State agencies that regulate or oversee the mortgage market and interact with consumers to help homeowners. Materials were created, both outlining Governor Paterson's foreclosure reform legislation, which was supported by the CPB and enacted into law on August 5, 2008, and educating consumers about loan modification scams and fraud. The CPB continued its outreach efforts by participating in HALT events and forums, such as Operation Protecting Your Home, where, in the second quarter of 2008, more than 300 people attended, including community groups, banking institutions, and lenders to assist consumers with questions.

Outreach

The Agency also partnered with NeighborWorks to disseminate a foreclosure public service campaign, alerting consumers to information and resources relating to foreclosure and its prevention. This campaign included the CPB in many print, radio, and billboard announcements, as well as in one educational promotion on television. The CPB's Consumer Advisors, having been trained on some foreclosure issues, provided referrals for counseling assistance where appropriate.

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Advocating for and Empowering NY Consumers

Intervening in the Marketplace

Safety Measures



Baby and Family Safety

The CPB implemented a Safe Babies program for new parents in 2008, and worked collaboratively to assure that it reached consumers on a grassroots level through community-based organizations.

Photo Caption: Chairperson Bockstein presents the Baby Safety Kit at Albany Medical Center.



Product Safety and Recalls

The CPB's aggressive pursuit of consumer protections in the area of product safety and recalls yielded new laws, numerous resources, and increased public awareness over the past year.

Photo Caption: Isaiah Scarlett and Michaela Barnes from Roessleville Elementary School, Albany, NY, display the special "safety" milk cartons made available by the Mohawk Dairy.



Seasonal and Playground Safety

Changes in the seasons bring safety issues which need to be addressed. Therefore, in 2008, the CPB provided seasonal, playground, and other resources to help safeguard consumers.

The safe composition of juvenile products is paramount for parents and caregivers and is a top priority of the Paterson Administration. The massive recalls of children's toys due to violations of lead paint standards in the Summer of 2007 led the Consumer Protection Board (CPB) to enhance its efforts to educate and inform consumers and industry participants about product safety and recall awareness.

The CPB launched its Safe Toys NY program, which includes toy testing, recall compliance checks, policy development, public awareness campaigns, industry outreach, and targeted youth programming. Its resources help families and children conduct their own product checks both when shopping and later at home.

To bolster marketplace safety, the CPB helped advance Governor Paterson's Product Safety and Recall Effectiveness Act of 2008, which was enacted into law in July 2008. This past year, the Agency also expanded its children and household safety resources to further empower consumers.



Chairperson Bockstein presents the CPB's Baby Safety Kit to Sarah and Patrick DeForest and their new baby at Strong Memorial Hospital, in Rochester, NY.

Baby and Family Safety

In an effort to protect the youngest of New Yorkers, the Consumer Protection Board (CPB) successfully collaborated with the NYS Office of Temporary and Disability Assistance (OTDA) and the NYS Office of Children and Family Services (OCFS) to implement a safe babies program for new parents in 2008.

Through the CPB's "New York's Formula for Keeping Babies Safe" initiative, nearly 2,000 hard-copy English kits were distributed to birth mothers, single mothers, young mothers, mothers receiving public assistance, and others undergoing court-ordered parenting classes through

hospitals, birthing centers, and family planning centers in Rochester, Syracuse, Albany, and New York City.

Additional Spanish-language baby kits were created to afford this often underserved population with similar information. Virtual resources, including Raising Baby on a Budget; Weekly Expense Planning for Baby; Childproofing Your Home; Keeping Baby Safe; When is Hot Water Too Hot?; Do Not Wake My Baby; and, Baby Sleeps Safest Alone, were made available to consumers via websites of the CPB and other organizational partners. The virtual version of the Baby Kit and the CPB's Childhood Choking and Scalding Prevention resources were highlighted in the November 2008 Newsletter of the Medical Society of the State of New York as important resources.

To assure that interested parties receive current information regarding baby and family safety as well as other consumer issues affecting young New Yorkers, the CPB established its Youth Programming Network (Network). The Network consists of more than a hundred community-based, nonprofit, and educational organizations representing thousands of consumers statewide. The CPB maintains regular contact with its Network, and updates the membership via e-mail.

Product Safety and Recalls

Policy Development

Recognizing that consumers and the marketplace need stronger protections to keep our children safe, Governor Paterson signed the Children's Product Safety and Recall Effectiveness Act into law in 2008. The law, advanced by the Consumer Protection Board (CPB), requires greater disclosure of recalls by manufacturers and importers of children's toys and durable juvenile products to consumers, distributors, and retailers. Further, any recalled product must be pulled from the stream of commerce. Additionally, the law requires that manufacturers of durable juvenile products include a product safety owner card that can only be used to notify consumers in the event of a recall and more detailed labeling of children's products. The CPB has been working on further amendments to the law to comport some of the provisions to recently enacted federal statutory requirements.



This toy police car was recalled by the CPSC in September, 2008.

Product Testing

This past year, the CPB engaged in juvenile consumer product testing with a New York-based laboratory. In conjunction with the lab, the CPB tested more than 20 toy types, representing nearly 50 units. Items tested included popular action figures, school supplies, teething toys, die-cast cars, baby bibs, fast food restaurant give-a-ways, and food/tea sets. The product testing yielded no violations of the federal lead content standard.

Public Awareness

To further consumer education, the CPB forged an agreement with the Miss Universe/Miss USA Organization to enable Miss USA 2008, Crystle Stewart, to serve as the spokesperson for a public service campaign aimed at increasing awareness of children's product safety issues, especially among children and their caregivers during the holiday season. The message was filmed in Albany and featured youngsters learning about toy and juvenile product safety from the CPB's Chairperson and Executive Director and Miss USA. The program was officially launched in November 2008, at the Harlem Children's Zone, Inc., a community-based organization in New York City dedicated to providing preventative, educational, community-building, and recreational services for the Harlem community. Additionally, the CPB expanded its resources by adding the Kids' News Reel, a streaming video on the CPB website, hosted by a child teaching her peers how to play with their toys safely.



Chairperson Bockstein talks toy safety to students at the Roesselville Elementary School.

Through a partnership with industry, public schools, and government, the CPB created the first-ever milk carton campaign for the purpose of educating young people about toy safety. Approximately 6 million milk cartons reached audiences monthly to highlight the importance of toy and juvenile product safety and paying attention to recalls. Working with the NYS Dairy Foods Association (DFA) and Elmhurst and Mohawk Dairies, the CPB brought its toy safety message to students and others in New York City and in upstate New York. For example, Elmhurst Dairy, which serves milk to approximately 1.3 million students per week in approximately 1,000 schools in the New York metropolitan area, printed the Agency's message on a panel of its half-pint nonfat chocolate milk cartons. Mohawk Dairy, in Amsterdam, New York, displayed the information on the side panels of all their half-pint milk cartons in approximately 20 school districts, distributing nearly 200,000 cartons to consumers weekly. A media event to launch the program was held at the Roesselville Elementary School in Albany, New York, in October 2008.



CPB staff conducted store sweeps to assure compliance with federal and State recall laws.

The CPB called attention to a Food and Drug Administration warning regarding melamine products in October 2008, in conjunction with its Halloween warning while the product was undergoing extensive testing in the United States. In mid-November, the United States issued an import alert for Chinese-made food products, calling for certification that imported foods are melamine-free.

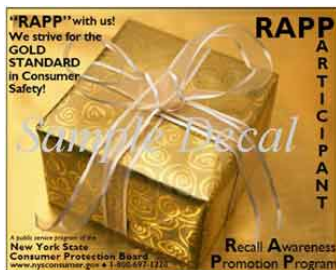
As the State designee of the U.S. Consumer Product Safety Commission (CPSC), the CPB routinely posts recalls of children's products including clothes, toys, helmets, games, and furniture on its website in a timely fashion.

Recall Sweeps

The CPB continued to effectuate sweeps looking for recalled products in the stream of commerce. As the New York State designee for the CPSC, the Agency assists this federal agency with retail recall compliance checks. Under a 2008 contract, the CPB was required to perform 30 checks. This represents an increase of five checks from last year's contract. The CPB also conducts its own retail sweeps beyond the contracted numbers. These additional checks uncovered previously recalled products on the shelf of some stores. In these cases, the CPB worked with the local store and appropriate corporate office to remove the items from commerce and to learn more about the measures that the establishment will take to prevent this scenario in the future.

In addition to sweeping stores for recalled products, the CPB also looks for conspicuously posted recall notices. For locations where the notices are not prominently displayed, the CPB sent letters to the appropriate retailers advising them that better notice is necessary and required as new federal and State laws will take effect.

Industry Outreach



This past year, the CPB continued to partner with business and industry to achieve better recall compliance and increase consumer confidence in the marketplace. The CPB officially launched its Recall Awareness Promotion Program (RAPP), which is a unique cooperative venture designed to increase consumer awareness of recalls with industry and service leaders who, as participants, strive for the "gold standard" in safety. RAPP's members include the NYS Restaurant Association (2800 members), Empire State Restaurant and Tavern Association (1500 members), and NYS Hospitality and Tourism Association (NYSH&TA) (1300 members). These organizations have dedicated space on their respective websites to promote RAPP to their members and collectively provided more than 1000 RAPP decals to participating members. Additionally, NYSH&TA featured articles on RAPP membership in two of its monthly newsletters and plans for more coverage. Further, the program was featured in the June 30, 2008 edition of Nation's Restaurant News, bringing RAPP to the national stage. The CPB also partnered with the NYS Child Care Coordinating Council (NYSCCCC) and its 41-member community-based organizations to provide resources and referrals to thousands of child care providers and parents in this State. NYSCCCC has been promoting RAPP on its website as well as linking to the CPB's website for enhanced consumer access.

Seasonal and Playground Safety

Seasonal Safety



The Consumer Protection Board (CPB) is providing seasonal safety information to New Yorkers of all ages by developing original and co-branding resources with experts on the State and federal levels. The CPB's family and seasonal safety webpage features information on Grilling and Barbecue Safety; Home Playground Safety Checklist; Yard Work Safety Tips; Smoke Alarms: Install Them, Test Them, Protect Your Family; Inspect, Detect and Protect Against Carbon Monoxide Poisoning; and, Carbon Monoxide Safety. Agencies and organizations such as the U.S. Consumer Product Safety Commission, the NYS Association of Counties, the Association of Towns of the State of New York, and the NYS Office of Parks, Recreation and Historic Preservation have promoted these resources on the Internet and in print over the past year. Further, in recognition of the need for vigilance during Trick or Treating, the CPB shared safety tips and resources with various community organizations, including the New York State Museum.






Grilling safety tips were provided by the CPB in celebration of Memorial Day in 2008.

Playground Safety

According to the U.S. Consumer Product Safety Commission (CPSC), each year, more than 200,000 children are brought to hospital emergency rooms with injuries sustained as a result of recreational activity on or around playground equipment. To help protect our children as they play, the Consumer Protection Board (CPB) created resources and dedicated a portion of its website to playground safety. Based on a 2007 law which imposed improved safety requirements for public playgrounds, the CPB drafted rules which comport with the requirements for playground construction and management set forth in the CPSC's Public Playground Safety Handbook, which was updated in 2008. Additionally, the CPB created and offered a collection of resources which garnered praise from advocates and industry representatives on the State and federal levels. In response, the NYS Association of Counties, the Association of Towns of the State of New York, the NYS Office of Parks, Recreation and Historic Preservation and the NYS School Board Association featured the CPB's playground safety information on their websites, in magazines, newsletters, e-newsletters, and e-blasts. In addition to the Handbook, the CPB's materials include a comparison between the 1997 and 2008 safety standards and a downloadable PowerPoint presentation on the subject. The CPB conducted outreach to schools, municipalities, and other organizations responsible for public playgrounds to help raise awareness of the new guidelines, and resource tools available from the Agency.



-  **CAREFULLY** supervise children on play equipment to make sure they are safe.
-  **REMOVE** hood and neck drawstrings from all children's outerwear. Never allow children to wear helmets, necklaces, purses, scarves or clothing with drawstrings while playing on playground equipment.
-  **NEVER** allow children to attach ropes, jump ropes, clotheslines, or pet leashes to play equipment; children can get entangled and strangle.

New York State Consumer Protection Board

Advocating for and Empowering NY Consumers

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Advocating for and Empowering NY Consumers

Advancing Economic Security

Pursuing Credit Card Reform

The CPB led New York's charge for reform in the credit card industry and got results for consumers.

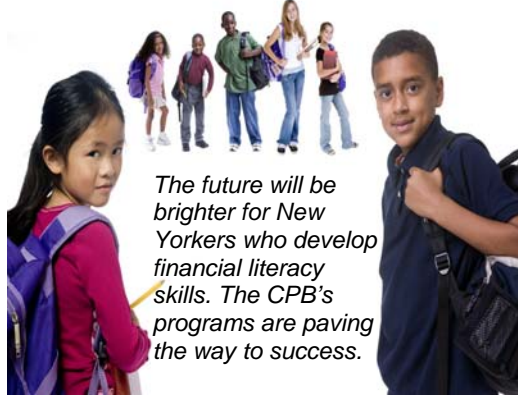


Financial Life Skills

College students, taxpayers, and consumers are turning to the CPB for hints at better managing their finances so they can become more fiscally secure.



Youth Financial Education



The future will be brighter for New Yorkers who develop financial literacy skills. The CPB's programs are paving the way to success.

Scam Prevention

Scams and fraud are taking a toll on consumers. The CPB is on the forefront of preventing the victimization of New Yorkers.



Advancing Economic Security

Governor Paterson has dedicated his Administration to addressing the economic issues facing the country and was one of the first Governors in the nation to call for action to assist beleaguered consumers. In a letter to then President-elect Obama and Vice President-elect Biden, the Governor explained that "no State has been more severely impacted by this crisis than New York," and asked for assistance to "not only overcome the current crisis, but to begin laying the foundation for the economy of the future."

Since then, no stone has been left unturned in an effort towards achieving positive economic change. In June 2009, based in large part on successful endeavors of State Agencies including the Consumer Protection Board (CPB), the Governor launched Bold Steps to a New Economy, saying, "World economies, wherever they are, suffer from gradual demolition and then renewal. Each great state and government goes through regular periods of difficulty and struggle and periods of turmoil. Certainly, that has been the case worldwide simultaneously. And in New York, we have had, if not the most difficult time in our economic history, one that could only have been exceeded by the Great Depression.... New York will recover from this period, and New York will become a leader in this country in terms of our economic development very shortly."

Over the past year, the CPB has focused on pursuing credit card reform, building financial life skills, providing youth with financial education opportunities, and preventing scams to help speed New York's economic recovery and strengthen consumer confidence.

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Advocating for and Empowering NY Consumers

Advancing Economic Security Pursuing Credit Card Reform



Advocacy for Reform

The CPB advanced new credit card reforms on the federal level to help bring substantive change to the industry and, in turn, decrease the number and severity of consumer complaints.



Credit Card Education

Through educational outreach, on and off-line resources, and the media, the CPB enhanced the knowledge base of consumers to facilitate making more informed decisions on credit card usage and contracts.

The Consumer Protection Board (CPB) took up the challenge of advocating on the national stage for long-needed changes in the practices of credit card issuers. In response to calls for greater understanding and clarity, the Agency provided resources and assistance to New Yorkers dealing with the burdens placed on them by the credit card industry.

Advocacy for Reform

The Consumer Protection Board (CPB) continued calling for reforms in the practices of the credit card industry in FY 2008/2009 through various mediums. The Agency's Credit Card Task Force, which was created in 2007 and composed of national advocates, paved the way for these actions and activities on behalf of consumers.

The Agency advocated for reform by:

- ✓ Submitting and circulating letters in support of Congresswoman Maloney's HR 5244, Credit Card Reform legislation, which passed the House on September 23, 2008, and called on the Senate to act. The Senate failed to pass reforms in 2008.
- ✓ Broadening its *Campaign for Change*, originally launched in 2007. A new model letter was created and made available to consumers to assist them in writing to Congress in support of national credit card reform measures. The letter was distributed and posted on the CPB website with appropriate contact information and instructions for mailing.
- ✓ Providing comments to the Federal Trade Commission, Federal Reserve Board and others on credit card interest rates, fees, grace period payment dates, double-cycle billing, credit card disclosures, overdraft protections, and other abusive practices.
- ✓ Issuing a statement in December 2008, when federal regulators promulgated new rules covering some egregious credit card policies. The CPB commended the improvements but called for further reforms and implementation before the July 2010 effective date. In response, the Chairperson and Executive Director also reaffirmed her commitment to working with Congress to pass more comprehensive credit card protections for consumers.
- ✓ Submitting Op-Ed pieces from Chairperson and Executive Director Mindy A. Bockstein regarding the need for credit card reform for publication by the media and conducting media interviews.

Credit Card Education

The Consumer Protection Board (CPB) created educational materials to inform consumers on how to exercise their rights when dealing with credit card issues as well as utilizing appropriate credit card management through its *Campaign for Change* and other mechanisms. As a result of these materials, consumers are learning what credit is; how to choose a credit card and execute good credit card management skills; how to avoid harmful credit practices; what credit reports are; and, how to deal with credit reporting agencies.

Over the course of the year, the Agency:

- ✓ Expanded its "Frustrated" multi-media campaign to raise awareness of consumer options in dealing with unfair credit card and other business practices taking their toll on consumers.
- ✓ Created bilingual resources and educational opportunities for New Yorkers regarding credit card usage and transactions, keeping credit cards safe, and credit card debt.

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Advocating for and Empowering NY Consumers

Advancing Economic Security Financial Life Skills



Consumer School

New Yorkers facing financial hardship require background and skills to make informed decisions in the marketplace. The CPB is a prime resource for this information.



Money Maps

Money Maps, an educational series to assist young adults and underserved consumers understand the implications of their choices on their financial stability, is in demand statewide.



Stretch Your Dollars Effort (SYDE)

The CPB's SYDE effort received widespread media attention, as the Agency was among the first to create a program to help consumers make ends meet in the current economy.



Taxpayer Protections

New Yorkers now have a Consumer Bill of Rights for Tax Preparers and rely on the CPB's consumer alerts on scams and unscrupulous business practices in the industry.

The Consumer Protection Board (CPB) developed financial life skills tools and other programming to help those New Yorkers imperiled by the economy and others build a secure financial future.

Consumer School

New goods and services have increased retail options for consumers and, at the same time, increased the complexity of the marketplace. Additionally, New Yorkers facing economic difficulties require information and the necessary skills to make appropriate decisions that best suit their needs and circumstances and protect their limited resources. To help consumers navigate the marketplace, the Consumer Protection Board (CPB) opened a "Consumer School." This program features instructional materials on: budgeting; banking and checking; credit card usage and safety; identity theft protection; cell phone service purchasing; debt collection; rent-to-own options; refunds, rebates and rain checks; gift cards; pawnbrokers; repossession; and, more for teens and adults.

Money Maps

The Consumer Protection Board (CPB) developed an educational series to assist young adults and underserved consumers in understanding the implications of consumer choices. The Money Maps financial life skills resource includes six practical modules focusing on budgeting, understanding credit and choosing a credit card, keeping credit card information safe and staving off identity theft, choosing the best cellular service and phone for your lifestyle, and comparison shopping for a banking and checking account. These tools are available on the CPB's website and can be utilized by consumers and service providers electronically through a fillable format.

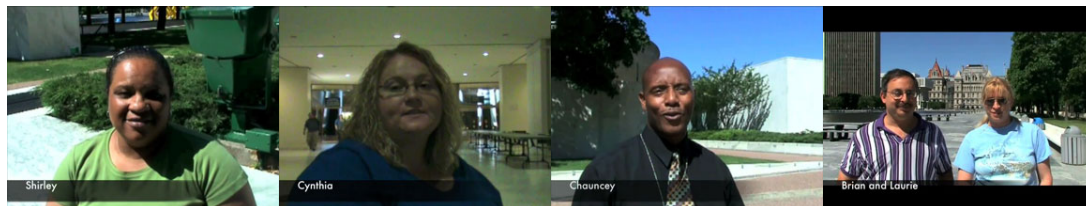
The CPB has collaborated with a number of organizations this year to distribute and use the Money Maps series. As a result of the CPB partnering with the NYS Office for Temporary and Disability Assistance (OTDA), letters are being sent to their clients, who are ending their affiliation with public assistance, advising them of the CPB's services and resources, especially Money Maps. In addition, users of the new MyBenefits web portal are now directed to Money Maps. The MyBenefits homepage and OTDA Resources for Working Families web pages feature the CPB's financial life skills modules.

A joint effort between the CPB and the NYS Department of Labor (DOL) allows teens using the DOL's innovative CareerZone and adults using job placement web portal JobZone to access Money Maps and other CPB financial life skills tools. The DOL is also providing New Yorkers who visit workforce one-stop centers with bilingual information about the CPB's mediation services that could save them time and money. To further this initiative, the CPB has partnered with the DOL on a pilot program to provide financial and consumer life skills training to the newly unemployed and underemployed.

Stretch Your Dollars Effort (SYDE)

In mid-June 2008, as part of Governor Paterson's economic well-being initiative, the Consumer Protection Board (CPB) launched its Stretching Your Dollars Effort (SYDE). This innovative program continues to provide a forum for New Yorkers to share their coping strategies with others by e-mailing or sending a written, audio, or video tip to the CPB. A designated e-mail address at my2cents@consumer.state.ny.us provides a portal for consumers to submit their suggestions to the Agency for posting on its website, where they remain and are periodically updated. SYDE provides the public with a single point-of-reference for dollar-stretching tips applying to many contexts including General Savings, Back to School, Grocery Shopping, Gasoline, at Home Food Prep, and Household Tips. The program achieved national attention and, on June 15, 2008, was highlighted by the Center for Best Practices of the National Governor's Association in its Front and Center posting as a good example of how states were "help(ing) families develop strategies for facing possible tough economic times ahead."

View sample SYDE suggestions from New York consumers:



Taxpayer Protections

The Consumer Protection Board (CPB) advanced taxpayer protections this year, assisting the NYS Department of Taxation and Finance (DTF) in creating the Consumer Bill of Rights Regarding Tax Preparers, which Governor Paterson signed into law. The Bill of Rights, which was added to the State's General Business Law as Chapter 432 of the Laws of 2008, increases consumer protections in the paid income tax preparer industry and imposes requirements on certain preparers. It also cautions against what is known as a Refund Anticipation Loan (RAL), making it illegal to advertise RALs as refunds, and requiring conspicuous statements describing it as a loan with accompanying fees or interest charges to help prevent New Yorkers from being scammed by tax preparers. Complaints regarding tax preparers are now handled by the CPB.

Further, by working in cooperation with federal and State Agencies including the DTF, the NYS Office of Temporary and Disability Assistance, and others, as well as community-based organizations such as Volunteer Income Tax Assistance (VITA) programs, the CPB reinforced the message of taxpayer rights. The CPB advocated for secure electronic tax filing, and helped protect consumers from unscrupulous business practices and questionable loans through press and outreach events, and via the Internet.

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Advocating for and Empowering NY Consumers

Advancing Economic Security

Youth Financial Education



“Banking on Our Children” Program

To provide the stepping stones for increased financial awareness and security in generations to come, the CPB created and launched its widely acclaimed fiscal education videos.



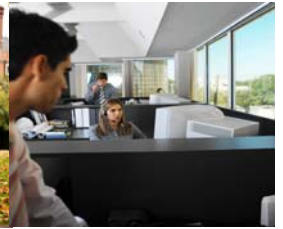
411 on Textbooks

Rising textbook costs have plagued NY college students and those who support them. The CPB underscored the need for increased availability of used textbooks working with advocates, students, faculty, and booksellers.



College Tour

The CPB's experts traveled to college campuses to help first-year students and faculty understand the pitfalls of credit cards and become better prepared to handle their finances in adulthood.



Proprietary Schools

Learning a vocation from a reputable school can be the key to landing a good job. Knowing whether a school meets quality standards is a daunting task. The CPB teamed up with the NYS Education Department to provide answers.

Aristotle said that “All who have meditated on the art of governing mankind have been convinced that the fate of empires depends on the education of youth.” A reinvented New York State economy demands an educated, trained workforce and a knowledgeable consumer base. The Consumer Protection Board (CPB) sees the importance of cultivating financial literacy at a young age as a means of promoting opportunity and economic justice. The Agency’s efforts to foster a savvy workforce and consumer population include innovative fiscal life skill programs and partnerships with higher education institutions, private career schools, and the private sector.



Chairperson Bockstein is flanked by (L-R) Kate McCarthy, Andrew Poitras, Julia Poitras, Madeline McCarthy, and Ivy Poitras at the Red Carpet Premiere of the CPB’s children’s financial education videos at the NYS Museum. More than 200 school children from the Capital District attended the event.

“Banking on Our Children” Program

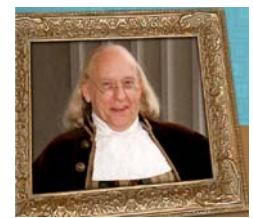
The Consumer Protection Board (CPB) launched in FY 2008/2009 a new series of children’s videos to raise awareness about the importance of saving for young New Yorkers. Indeed, the President’s Advisory Council on Financial Literacy in its 2008 Annual Report called for the expansion of financial education for young children, including those in pre-school, kindergarten, and early elementary grades.

The cornerstone of the CPB’s “Banking on Our Children” Initiative features two streaming educational videos created with the New York Network of the State University of New York (SUNY).

In “The Mystery of the Missing Piggy Bank,” which is geared for children aged 4-6, the heroine learns about the value of saving money when she loses her bank and follows clues to find it. “The Mystery of the Missing Piggy Bank” was filmed using animation.



In "A Sense of Saving," children aged 7-9 receive an important lesson on spending beyond their means from Ben Franklin, who informs them that "a penny saved is a penny earned." A "Sense of Saving," was filmed on location at the New York State Museum and provides sweeping views of the Museum's extensive collections and lessons in history.



Along with the videos for children, the Agency's website features information and activities to reinforce the message and help youngsters learn about money and savings, as well as to become wise consumers. These resources are now being used by schools, libraries, museums, community youth groups, and other programs throughout New York State.

As part of the Banking on Our Children Initiative, the CPB is also partnering with the Independent Bankers Association of New York State, Boys and Girls Clubs of America, the NYS Office of Children and Family Services, and First Niagara Bank, among others, to educate children about fiscal planning and the importance of banking.

411 on Textbooks

The rising prices of textbooks are visible and frustrating to millions of students and parents each semester. In 2007-08, students paid an average of \$988 for books and supplies, an amount equivalent to 23% of senior college tuition at SUNY, 25% at CUNY or 28% of average community college tuition and fees in New York State, according to an April 2008 report entitled Sticker Shock 101, issued by the New York Public Interest Research Group. Over the past two decades, college textbook prices have increased at twice the rate of inflation, according to a U.S. Government Accountability Office report issued in 2005. The report also stated that textbook prices nearly tripled, increasing at an average rate of 6% per year from December 1986 to December 2004. Particularly during the current fiscal crisis, students are looking for cost-savings approaches to address these and other expenses associated with their higher education.

The Consumer Protection Board (CPB) worked with Barnes & Noble College Booksellers (B&N) and the State University of New York (SUNY) to educate students, parents and faculty about the option and benefits of purchasing used textbooks. To assure continuing education of students and to remind faculty of the value of used books and the importance of early textbook ordering, a new CPB-inspired "411 on Textbooks" bookmark was made available in all 72 B&N campus bookstores across New York State. This resource provides consumers with information on how they can find, purchase, and save money on used books. The bookmark also features information regarding a new law that promotes "open and transparent marketing, choice, pricing and purchasing of course materials" which will help consumers as they make their spending decisions. The New York State Textbook Access Act of 2008 was signed into law by Governor Paterson in August 2008 and takes effect on July 1, 2009.

The CPB's textbook pricing efforts were highlighted in a State Comptroller's press release announcing his Textbook Pricing Disparities report which was issued in December 2008, a month after the CPB's project had been launched.

New CPB materials pertaining to this initiative include Student Textbook Affordability Considerations for Faculty, The Textbook Savings Guide for Students at Schools of Higher Learning, and "The 411 on Textbooks." The collaboration generated much support and enthusiasm from media.

College Tour

Complex offers for various credit opportunities are flooding students' mailboxes and e-mail accounts, creating an atmosphere that may lead to financial missteps and possible identity theft. A recent survey found that nearly 1 in 4 college students leave school with more than \$5,000 of credit card debt. (*TrueCredit.com by TransUnion 2008, Survey conducted by Zogby International*)

To address this issue and help students become better prepared to face financial and credit challenges in their adulthood, the Consumer Protection Board (CPB) developed practical resource materials and organized a strategic College Tour to assist first-year students and staff. These student, staff, and parent presentations are dedicated to understanding the pitfalls of credit card debt and preventing and mitigating identity theft.



Chairperson Bockstein was joined by advocates, students, and university representatives at the November 12, 2008 press conference to launch the 411 on textbooks.



Samantha Bernstein, a SUNY student, urges increased access to used textbooks at the Barnes and Noble Booksellers at the Albany campus.

Among the resources distributed to participants were the CPB's "Money Mark: That's SO Money" bookmark, and Money Maps financial life skills series. Schools visited this past year included Hofstra University, Syracuse University, SUNY Oneonta, SUNY New Paltz, Schenectady County Community College, CUNY-Baruch College, CUNY-Lehman College, and CUNY-Medger Evers College. Next fiscal year, the Agency will broaden its tour in an effort to reach more students and create a better prepared workforce. Further, in light of the new federal credit card reforms, the CPB's College Tour will provide key information on impending protections.

Proprietary Schools

By providing quality training to enrolled students, licensed private career schools, known as proprietary schools, contribute to our State's economic security. The Consumer Protection Board (CPB) serves on the NYS Education Department's Proprietary School Advisory Council to represent the interest of consumers.

In collaboration with the NYS Education Department's Bureau of Proprietary Schools and the Proprietary School Advisory Council, the CPB produced a resource this year for use by high schools, service organizations, and others to educate potential students about the protections offered by licensed schools and the pitfalls of choosing an unlicensed school. These materials are currently available in English, Spanish, French, Chinese, Korean, and Russian. The resources are also available through the NYS Department of Labor's CareerZone and JobZone websites.

In addition, the CPB created and gave presentations on this topic to help prevent students from being taken advantage of by disreputable, fly-by-night unlicensed schools.

New York State Consumer Protection Board

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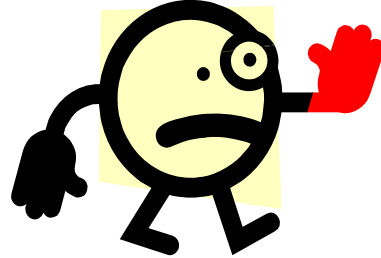
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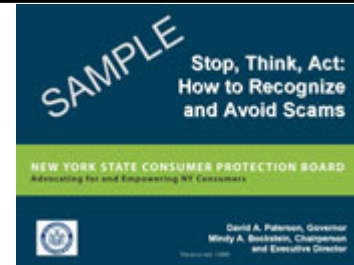
Advocating for and Empowering NY Consumers

Advancing Economic Security Scam Prevention



Scam Warnings

Over the past fiscal year, the CPB redoubled its efforts to alert consumers and businesses about scams in an effort to help prevent undue harm. Alerts on Phishing, social networking, fiscal crisis, senior, employment, and other scams commanded attention.



Stop, Think, Act!

To expose scams and assist consumers in dealing with their aftermath, consumers should reference the CPB's numerous educational resources available to the public through outreach sessions and on the Agency website.

The number of scams initiated by clever con artists designed to compromise the public trust and to steal consumers' identities and money increased exponentially with the advent of the computer age. Given these economic times, scam perpetrators pursue creative approaches to take advantage of the vulnerabilities of consumers. The best defense against scams is a good offense.

Scam Warnings

Scam Alerts

The Consumer Protection Board (CPB) posts regular Scam Alerts on its website, with each alert providing a brief synopsis and an overview of the scam scenario. A discussion of the topic, the targeted victims, the nature of the scam, and steps consumers should take are highlighted on the Agency's homepage and frequently through the media to prevent further harm. At the end of 2008, the CPB provided a review of the Top Scams of 2008 via a press release and on its website.

Phishing Scams

The CPB spotlighted Phishing scams hurting businesses and their customer base at the 2008 Federal Trade Commission's Top Consumer Frauds & Complaints Conference held in New York City in March 2008. Phishing is a common scheme to trick people into sending money or providing personal identifiable information such as name, address, and phone number in combination with date of birth, username, passwords and/or credit card details, and even Social Security numbers for the purpose of committing identity theft. Working with major companies including, but not limited to Wal-Mart, Walgreen's, and McDonald's, the CPB-identified Phishing scams were taken down and consumers were alerted not to respond to them. In late 2007, PC World conveyed that a survey conducted by YouGov found that 42% of the nearly 2000 United Kingdom respondents stated that "their trust in a brand would be damaged by a Phishing attack, even though the scam had nothing to do with it."



The 2009 Top Frauds conference featured Chairperson Bockstein together with Mr. Ted Potrikus of the Retail Council of New York State. Above they examine a sample of the McDonald's Phishing scam e-mail sent to consumers.

Therefore, the CPB, joined by the Retail Council of New York State, advised industry as well as the public on how to identify and respond to these scams.

Social Networking Website Scams

In 2008, new phishing and downloadable virus scams emerged on popular social networking websites, in particular, Facebook, trading on the lack of caution people may exhibit online. The CPB posted an alert to advise consumers of the scams. It detailed how personal information communicated on Facebook was being intercepted by unauthorized parties who were using it to commit fraud and other crimes, and provided strategies on how to avoid becoming a victim. This scam directed users to a Facebook look-alike page where the profiles of users who submitted their e-mail and Facebook password were hijacked, giving the scammers access to their personal information. Their friends may also receive a similar message, thus continuing the cycle. The Facebook-related download scam involved malware accessed through a link that connected to it. Facebook users were asked to download a file or run a program on their computer which opened the door to a Trojan horse (a virus masquerading as a file related to an accessed link, with the most popular 2008 virus called a Koobface worm). The worm transformed the victims' machines into "zombie" computers that sent similar e-mails to friends.



Fiscal Crisis Watch List

In October 2008, after Governor Paterson alerted New Yorkers to an impending fiscal crisis, Congress approved a \$700 billion bailout package. Consumers were worried about their fiscal health. In order to protect consumers from opportunistic individuals who try to capitalize on the economic crisis with "get rich quick," lending, and other schemes, the CPB issued a Fiscal Crisis Watch List through the media. The Watch List, which highlighted credit counseling, debt management, questionable loans, work-at-home, online job and investment scams, provided a "top ten" tip list for consumers to avoid potential schemes and questionable practices. It drew enormous attention from national organizations, the media, and others, and continues to be a definitive resource for consumers to this day.

2008 Economic Stimulus Rebate Scam

The CPB identified that some scam artists were using the lure of stimulus money to trick consumers into revealing personal financial information for the purpose of gaining unauthorized access to their financial accounts. Offering free money, and using promises made by the Bush Administration in its federal economic stimulus payment initiative, scammers posing as IRS representatives cajoled unsuspecting consumers into revealing their bank account numbers, falsely stating that the information was required to obtain their stimulus rebate.

By utilizing media and educational outreach, the CPB alerted consumers that eligible individuals in most cases would not have to do anything more than file a 2007 federal tax return to receive the stimulus rebate, and further advised that the IRS does not contact taxpayers by phone or e-mail regarding stimulus payments.

Senior Scams

In 2008, the CPB worked with the NYS Office for the Aging, various chapters of the AARP, the State University of New York at New Paltz, Chambers of Commerce, the Rotary Club of Albany, and others to pinpoint scams perpetrated against seniors. The Agency further developed resources and participated in educational outreach events to raise awareness within this vulnerable portion of the population. By issuing press releases, updating information on its website, and transmitting information to service providers, the Agency utilized media and Internet-based tools to maximize the number of people with access to this type of information. As a result, there was an increase in the number of requests for the CPB's "Great Deals" Big Scams – A Consumer Guide for Seniors, a tool to help senior citizens understand and take precautions against fraud.



Cross-Border Scams

After the Buffalo Better Business Bureau (BBB) reported a high number of scams cropping up involving locations near the Canadian border, the CPB alerted consumers especially seniors, small businesses, and religious institutions, and provided direct assistance for some who contacted the Agency. The Canada-based scams involved receipt of bills for alleged services or surprise checks received for no particular reason, which if cashed, provided scammers with a link to personal information and funds.

Employment Scams

In these challenging economic times, some people attempt to capitalize or take advantage of the strong desire for employment and income in different populations or communities. Get-rich-quick schemes, work-at-home scams, pyramid schemes, and numerous other disreputable approaches promising employment and wealth are used to separate job seekers and other vulnerable people from their money. During FY 2008/2009, the CPB offered increased information to the public on how to avoid becoming a victim of employment scams. In addition, the Agency partnered with the NYS Department of Labor and other organizations to provide seminars for their staff and clients on the prevention of and response to fraud.

Travel Scams

Given the economy, many people are staying closer to home, and looking for money-saving ideas for vacationing and beyond. The CPB joined with Governor Paterson and issued a press release to encourage New Yorkers to travel in-state last summer to take advantage of special travel packages offered through the I Love NY campaign. As a result, the CPB joined with the Empire State Development Corporation in issuing three travel planning and vacation tools, including a Traveler's Checklist, Avoiding Travel Scams and Separating Fact from Fiction – A Consumer Guide to Travel.

Travel Scams: Don't take a trip to Fraudsville!

To help you avoid being the victim of travel fraud, the NYS Consumer Protection Board offers the following tips:

- Be skeptical of unsolicited travel offers/prizes. If it sounds too good to be true it probably is!

Stop, Think, Act!

The Consumer Protection Board (CPB) updated its vast library of resources relating to recognizing and preventing scam victimization. The Agency's Phishing Scam Prevention Tips help people identify Phishing e-mails which are designed to trick people into sending money or providing personal information such as usernames, passwords, credit card details, and Social Security numbers to unauthorized individuals who hijack their information and use it to commit identity theft. The CPB's Phishing Scam Spotlight was designed to assist the business community by alerting consumers to be wary of bogus e-mails purporting to represent legitimate businesses. With technology at their fingertips, scammers are recreating and using official logos, company information, disclaimers, and more to lure consumers into responding to their offers, queries, surveys, or payment alerts. In 2008, scams perpetrated against McDonalds and Walgreens, as well as i-Tunes, Wal-Mart, and even the Better Business Bureau were publicized by the CPB. The Agency also expanded its outreach sessions on scams, increasing exposure to its educational primer for lay people to facilitate a better understanding of technology and scam terminology. Additionally, the CPB's "Stop Think Act" presentation exposes scams, fraud, and hoaxes which cost businesses and consumers time and billions of dollars each year. This presentation provides information to enable consumers to recognize and to avoid scams and apprises victims of tools and resources available to them through the CPB. The presentation has been given in various locations around the State, and is also available in Spanish.

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Advocating for and Empowering NY Consumers

Safeguarding Information and Privacy



Do Not Call

The CPB heightened action to protect consumers from annoying telemarketers.



Identity Theft

The CPB received national recognition for its identity theft program this year.



Privacy Guidance

Privacy is something which can no longer be taken for granted. The CPB's cutting-edge guidance has consumers and businesses paying attention.



Consumers are turning to the CPB for advice on costly security breaches.

The legal right to privacy was advanced by Justice Louis Brandeis in 1928 in his dissent in *Olmstead v. United States*, and before that in his Harvard Law Review article, "The Right to Privacy" (1890) as "the right to be left alone." Brandeis also called the right to privacy "the most comprehensive of rights and the right most valued by civilized men."

Today, privacy has been characterized as the right of individuals to determine for themselves when, how, and to what degree information about them is released and disclosed to others. The Consumer Protection Board (CPB) notes that privacy has become one of the most difficult principles to protect given current and emerging technology.

Under Governor Paterson, information privacy, the protection of consumers' personal information in the brick and mortar and online marketplace are critical issues for the CPB. An increasing number of Americans are concerned about threats to their personal privacy. Over the past year, the Agency has taken many steps to educate and engage consumers, businesses, and government entities in information privacy. These efforts span the gamut from data breach monitoring, to creating and implementing business and personal privacy protections in new laws, from enforcement of the Do Not Call law to the creation of the Identity Theft Prevention and Mitigation Program, pursuant to Governor Paterson's new law.

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Advocating for and Empowering NY Consumers

Safeguarding Information and Privacy

Do Not Call



Do Not Call Awareness

The CPB's Do Not Call program is assisting consumers in reducing the number of telemarketing calls they receive to their personal phone lines.

Do Not Call Enforcement



The CPB is enforcing the Do Not Call law as some businesses still fail to comply.

Companies may be fined \$11,000 per violation. Enhanced protections are pending in the State Legislature.

With the number of Do Not Call complaints registered from New Yorkers on the increase, the Consumer Protection Board (CPB) enhanced its efforts to enforce the law and to inform consumers of steps they can take to help avoid annoying telemarketing calls.

Do Not Call Awareness



In April 2001, the New York State Do Not Call (DNC) law became effective, allowing consumers to place their home landline and personal wireless telephone numbers on one central national registry to reduce the number of unsolicited telemarketing calls they receive. The law now gives the Consumer Protection Board (CPB) the authority to fine violators up to \$11,000 per violation. In 2003, the Federal Trade Commission (FTC) and the Federal Communications Commission (FCC) collaborated to create the National Do Not Call program and Registry.

The FTC, which accepts DNC registrations and complaints nationwide, reported to the CPB that the number of complaints received from New Yorkers nearly doubled in 2008, increasing from 64,263 DNC complaints during the 2007 calendar year to 106,010 DNC complaints during the 2008 calendar year.

In January 2009, the CPB launched a focused radio public service announcement (PSA) to urge consumers to register their home phone and personal mobile telephone numbers on the national DNC Registry to stop most unwanted telemarketing calls. The PSA also encouraged consumers to file complaints to assist the Agency in enforcing the law. As a result, nearly 900,000 New Yorkers registered their numbers on the national list from January through March 2009, well ahead of the pace for the previous years. The number of registrations from New York for the calendar year 2008 was 2,291,178. In 2007, there were 2,151,061 New York numbers registered.



Do Not Call Enforcement

The Consumer Protection Board (CPB) submitted a legislative proposal to bolster the Do Not Call (DNC) law to reflect new technologies, and also afford the Agency greater enforcement tools in responding to DNC violations. The bill was introduced in the Senate (S.3763) by Senator Eric Adams, and in the Assembly (A.7563) by Assemblywoman Audrey Pheffer.

Further, while enforcement of the DNC statute is time and labor intensive, last year, the CPB enhanced its actions in the State. During FY 2008/09, the CPB reviewed more than 7,000 complaints. During this time period, the Agency opened more than 20 new cases and referred approximately 15 cases to the Office of the New York State Attorney General for civil recovery. The CPB levied and received approximately \$125,000 in penalties for violations of the DNC law. Further, the Agency engaged and conducted outreach to business consumers and associations to increase compliance with the statute.

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Advocating for and Empowering NY Consumers

Safeguarding Information and Privacy Identity Theft



Legislation

New laws to protect consumers from identity thieves were proposed and enacted over the last year to help New Yorkers prevent or respond to this crime.



Industry Intervention

The CPB intervened regarding credit freeze compliance and achieved results in the form of faster response times and more on behalf of consumers.



Awareness and Education

Numerous efforts to educate consumers about identity theft, including a statewide PSA featuring then NY Giants player Amani Toomer, raised public consciousness. Attention to identity theft is an imperative.

Identity theft once again ranked number one on the Federal Trade Commission's list of Top Complaints in 2008. New York State continues to be ranked 6th per capita for identity theft complaints. National polls consistently demonstrate the public's concern about data protection and identity theft. The Consumer Protection Board (CPB) is a national leader in providing identity theft resources and programming.

Legislation

In response to overwhelming need and public concerns, on June 22, 2008, Governor David A. Paterson, in concert with the State Legislature, enacted new provisions to strengthen New York State's identity theft laws in a variety of ways. The omnibus bill (S.8376/A.11752-a--Chapter 279 of the Laws of 2008) enhanced privacy protection in the workplace and marketplace by restricting the use and disclosure of Social Security numbers. As part of the enhanced protections, the Governor established the Identity Theft Prevention and Mitigation Program within the Consumer Protection Board (CPB) in 2008.

The new law, spurred by the CPB's March 2008 public hearing on identity theft, also addresses the need for improvements in the way New Yorkers can apply and thaw a security freeze. Following this hearing, Governor Paterson announced reforms to New York's law to:

- ✓ Extend confidentiality protections with regard to Social Security numbers by restricting their use by public entities, employers, or business for purposes of personal identification, and preventing the intentional communication of these identifiers to the public.
- ✓ Outlaw the possession of "skimmer" devices which can obtain personal identifying information from credit cards where there is intent to use the device to commit identity theft.
- ✓ Establish the Identity Theft Prevention and Mitigation Program within the CPB, authorizing the Agency to act as a liaison between victims and any State or other governmental or non-governmental entities to help promote recovery from the damages of identity theft, and promulgate rules and regulations to implement the program.

- ✓ Strengthen aspects of the security freeze tool, making it easier for consumers to place a "freeze" or lock access to credit reports and compels credit-reporting agencies to comply with such requests within three business days. The CPB is statutorily responsible for monitoring the time and technology it takes to place and remove a security freeze in New York State. Additionally, New Yorkers who are victims of domestic violence may now place a security freeze on their credit reports free of charge, as advocated for by the CPB, the NYS Office for Prevention of Domestic Violence and others.
- ✓ Enable victims of identity theft to obtain restitution equal to the value of the time they spend fixing the damage of identity theft.

The Federal Trade Commission's (FTC) Identity Theft Resource Center estimated in its most recent 2007 study, that it can take as much as 330 hours to resolve problems associated with identity theft. A Javelin Strategy & Research study released in March 2009 confirms that the number of identity fraud victims increased 22 percent to 9.9 million adults in the United States last year. The study further showed that it cost consumers \$496 per incident to mitigate the consequences of identity theft on average in 2008. As a result of the new 2008 law, the CPB is poised to assist victims in charting their expenses for possible restitution.

Industry Intervention

In response to a letter sent by the Consumer Protection Board's (CPB) Chairperson and Executive Director to Equifax alerting them to their noncompliance with the provisions of the State law calling for a dedicated phone line for consumers placing or lifting a security freeze, the credit reporting agency created a new phone system with effective prompts.

In anticipation of its interaction with industry in its new troubleshooting role, the CPB reached out to various marketplace stakeholders to facilitate communication and cooperation. The Agency has also made its identity theft and privacy-related resources available to business via the Internet.

Finally, in FY 2008/2009, the CPB's Consumer Advisors have been trained to intervene and troubleshoot in varied contexts, including with creditors, financial institutions, credit-reporting agencies, utilities, and employers.

Awareness and Education

The CPB's Identity Theft Prevention and Mitigation Program hosts a central repository of identity theft-related resources and tools to raise awareness and assist consumers. To aid consumers in their efforts to document and claim compensation for identity theft mitigation, the Consumer Protection Board (CPB) created its Identity Theft Victim's Journal. The Restitution Journal enables victims to log records and receipts of all expenses incurred as well as time lost in rectifying identity theft. The CPB created and distributed its Identity Theft Quick Response Checklist, in conjunction with the NYS Police and the NYS Division of Criminal Justice Services. These resources, among others, can be found online at the Identity Theft Prevention and Mitigation Program Resources section of the CPB's website.

In order to drive home the need to safeguard one's personal identifiable information to help prevent identity theft, the CPB reached out to the New York Giants and launched a public service campaign featuring the New York Giants former wide receiver Amani Toomer in November 2008. Governor Paterson declared Sunday, October 26 through Saturday, November 1, 2008 as Identity Theft Awareness Week in New York State, during which time the Agency's educational message featuring Toomer started its four-week run on radio and television statewide. The public service announcement remains on the CPB's website.

In October, as part of identity theft awareness week, the CPB worked with the NYS Police and the NYS Crime Victims Board to present an identity theft workshop for law enforcement and victim service providers. Highlighted in a press release, the program drew a full-capacity crowd, and received high praise from NYS Police Superintendent Harry J. Corbitt, who noted its value by stating, "Awareness of the predatory capabilities and methods employed by identity thieves is essential to discourage attempts at stealing personal information. Prompt reporting to law enforcement and financial institutions can greatly mitigate or prevent financial damage."



Former wide receiver of the NY Giants Amani Toomer warns consumers about identity theft. Listen to the PSA here.



Chairperson Bockstein addresses members of law enforcement regarding identity theft issues.

Recognizing that identity theft can have a particularly profound effect on victims of domestic violence, during October 2008, the CPB collaborated with the NYS Office for Prevention of Domestic Violence (OPDV) in commemoration of Domestic Violence Awareness Month and Identity Theft Awareness Week to help victims of domestic violence become less vulnerable to identity theft. The CPB created an Identity Theft and Domestic Violence resource containing prevention and mitigation tips tailored to the specific needs of these individuals. This information was made available to domestic violence programs through the OPDV, highlighted in a press release, and featured in both Agency newsletters.



To reach consumers in a creative fashion, in 2008, the CPB also created an identity theft quiz show with New York Network to convey important information. The quiz show, called *Are You Consumer Savvy?* appears, along with a printed version of the Q&A, on the CPB's website and was featured at the Agency's 2009 annual Consumer Action Day where it was viewed by hundreds of consumers.

In addition to these achievements, the Agency continues to work closely with advocacy and community-based groups and others in both the public and private sectors to advance identity theft prevention and response training, and has created numerous resources which are available on the CPB's homepage and, more specifically, on the Agencies' Internet Security page.

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Advocating for and Empowering NY Consumers

Safeguarding Information and Privacy

Privacy Guidance



Policy Development and Advocacy

The CPB gained national recognition for its privacy initiatives, calling for increased protections in data security and publishing guidance tools.



Shredding

Shredding is an effective tool to protect private information. The CPB held popular "Shred the Word" events statewide.



National Data Privacy Day

The internationally respected National Data Privacy Day featured many of the CPB's resources for consumers.



Think Privacy

The CPB is urging consumers to "Think Privacy" by posting regularly viewed updates and information on its website.

The online marketplace has evolved, creating new business models. Unfortunately, technology has in many cases outpaced the law, and consumer ability to protect their personal information. Companies are collecting information from data subjects and combining information from multiple sources, which raises questions about and implications for consumer privacy. The Consumer Protection Board (CPB) has sharpened its focus on privacy, conducting numerous outreach sessions, encouraging dialogue, and helping to advance the need for privacy protection, especially in business.

Policy Development and Advocacy

In November 2008, when the Consumer Protection Board (CPB) issued its nationally recognized Business Privacy Guide: How to Handle Personal Identifiable Information and Limit the Prospects of Identity Theft (Guide), New York State became one of only a few States in the nation to provide tools for businesses on the use and secure retention of personal identifiable information. The Guide explains core privacy and security principles as well as key State privacy laws applicable to businesses. Records demonstrate that it has been downloaded and distributed to employees of well-known companies - - large and small, with offices in New York State and around the world - - and its best practice advice is helping organizations to achieve data security. Since its release, Verizon Communications issued a report stating that approximately 90 percent of the breaches it investigated in 2008 could have been avoided with basic security measures.

The CPB's numerous calls for increased data protections for consumers via letters, regulatory and Congressional filings, and media statements raised awareness to the issue throughout the State and internationally. The CPB has repeatedly expressed its privacy concerns with the Federal Trade Commission, media, search engine providers, and others urging greater transparency and security, stronger disclosures to consumers, more restrictions on the collection and usage of sensitive personal data, and an affirmative expression of consent from consumers. Over the past fiscal year, the CPB Chairperson and Executive Director sent letters to Google and other search engine providers voicing concerns about their tracking of users in order to ad target. The letters called for clear choice and more robust and conspicuous disclosures for consumers.

Shredding



The Consumer Protection Board's (CPB) "Shred the Word" program drew praise and widespread participation at successful shredding events over the past year. Working collaboratively with State, community, business and civic organizations, and promoting the events in the media, the CPB underscored the importance of shredding documents to thwart the efforts of dumpster divers.

At these events, the Agency promoted its document retention and other identity theft prevention resources as it emphasized the need to protect personal data. During the 2008 shredding season, which runs from the spring through the fall, the CPB collected and facilitated environmentally sound shredding of nearly 10,000 tons of materials.



Protecting Privacy
Builds Trust in Technology

National Data Privacy Day

On January 28, 2009, the United States, Canada, and 27 European countries celebrated National Data Privacy Day. To promote identity theft protections and resources available in New York State, the Consumer Protection Board (CPB) led the State's participation in this event involving government officials from across the globe as well as privacy professionals, academics, legal scholars, representatives of international businesses, and others. Governor Paterson declared January 28, 2009 as Data Privacy Day in the State of New York. The Governor stated that, "New York State is promoting data privacy awareness through various activities, initiatives and resources to educate the public about data breach and identity theft prevention and other efforts to provide assistance to identity theft victims through the CPB's Identity Theft Prevention and Mitigation Program...." The Governor's Proclamation and the CPB's resources are featured on the international website under State participation.

Think Privacy

The Consumer Protection Board (CPB) launched its Think Privacy thought-provoking web column in 2009 to provide monthly updates and information regarding privacy concerns. This dedicated section of the Agency's website receives numerous hits from consumers who access it regularly for guidance on cutting-edge issues. Topics have included: January 2009: Do Not Let Your Privacy Disappear in the Clouds, February 2009: Advice for Parents of the E-Generation, and, March 2009: 10 Tips for Using Social Networking Sites.

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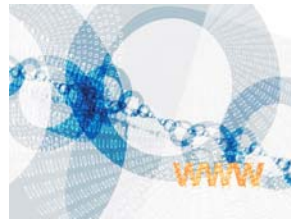
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Advocating for and Empowering NY Consumers

Safeguarding Information and Privacy Security Breach



Security Breach Oversight

The CPB reviews security breach data and information to maximize protections for New Yorkers, and works with other government agencies to bolster safeguards and oversight initiatives.



Public Exposure of Security Breaches

When major security breaches such as the Hannaford and Heartland incidents impacted New Yorkers, the CPB stepped in to facilitate greater disclosure and assist those affected.



Security Breach Resources

The CPB has taken steps to address the increasing incidence of security breach by educating the public on potential effects and consequences.

A study of 2008 data conducted by Verizon Communications showed that some 285 million personal records were breached in 2008, which is more than the previous four years combined. Further, according to a 2007 Ponemon Institute study, nearly 33% of customers surveyed said they would cut ties with a company that experienced a data breach. According to the nonprofit Privacy Rights Clearinghouse, the stream of security breaches beginning in February 2005 has left more than 88 million Americans at risk for identity theft. The stunning affects of this phenomenon on the general welfare cried out for attention and intervention. Therefore, the Consumer Protection Board (CPB) took up this challenge by focusing significant attention on breaches affecting New Yorkers.

Security Breach Oversight

New York State law requires businesses and government entities to notify the Consumer Protection Board (CPB), along with the Office of the Attorney General and the NYS Office of Cyber Security and Critical Infrastructure in the event of a security breach so that affected consumers can take appropriate action to protect their personal information from the threat of identity theft. Over the past year, the CPB has increased its scrutiny of data breach reports and is monitoring their timeliness as well as the information reported. In the event that more than 5,000 consumers are affected by a security breach, the breaching entity must file notice with the three major credit reporting agencies: TransUnion, Equifax, and Experian.

Public Exposure of Security Breaches

Heartland Breach

In February 2009, the Consumer Protection Board (CPB) acted through the media to publicly call on financial institutions and corporations with knowledge of customer data compromised by the Heartland Payment Systems (Heartland) security breach to disclose the extent of the breach and take action to protect their consumers. While the CPB acknowledged Heartland for informing consumers of the breach via the media, and for submitting the State's Breach Reporting Form to the proper authorities, the Agency encouraged all the involved entities to implement a three-pronged approach to protecting customers. The CPB asked them to:

- ✓ Notify individuals who may have been affected by the security breach directly;

- ✓ Conspicuously post information on their websites and link to the website created by Heartland Payment Systems www.2008breach.com; and,
- ✓ Issue new debit/credit cards from financial institutions, where appropriate, or provide a brief explanation as to why the issuing of new cards is unnecessary.

Hannaford Breach

After a late March 2008 security breach involving credit/debit cards used at Hannaford Supermarkets operating in the Northeast and other locations, the CPB reached out to Hannaford to ascertain the extent of the breach and assist those who were potentially impacted. While at that time, their representative asserted that no names or personal identification other than the credit or debit card numbers and their expiration dates were not transferred online in this situation, the CPB raised concerns that even the limited information exposed might pose an increased risk of identity theft. The CPB issued a press release to advise consumers about the situation, and to convey the fact that information provided via the Internet has the potential of being accessed by unauthorized individuals for the purpose of committing fraud and identity theft.



The CPB conducted outreach and educational sessions during which New Yorkers were advised about data breaches over the past year.

Security Breach Resources

The Consumer Protection Board (CPB) has been nationally recognized for the many new resources it developed over the past year regarding security and data breaches. These include *Surviving a Data Breach*, a *Sample Letter from a Breaching Entity to Notify New Yorkers of a Security Breach Incident*, a *Fact Sheet for Business*, the *Can I do More to Protect My Privacy?* Quiz and the CPB's *Anatomy of a Data Breach* video. The Agency has a dedicated section on its website to assist businesses and consumers who are dealing with the consequences of a security breach. Along with small businesses, consumers are now turning to the CPB's materials and to its Consumer Assistance Advisors for guidance and direct assistance. These written resources and more can be accessed on the CPB's Security Breach information section of the Agency website.

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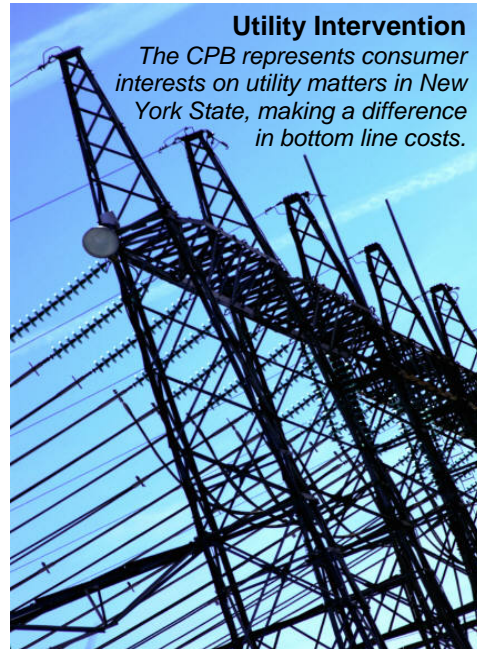
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Advocating for and Empowering NY Consumers

Addressing Energy and New Technologies Challenges



Utility Intervention

The CPB represents consumer interests on utility matters in New York State, making a difference in bottom line costs.



New York Independent System Operator (NYISO)

NYISO issues continue to prompt action and intervention by the CPB.

Telecommunications

Innovations in the telecommunications industry need and receive continuous attention from the CPB.



In his first State of the State Message on January 7, 2009, Governor David A. Paterson announced his goal that "45 percent of New York State's electricity needs will be met through improved energy efficiency and greater use of clean renewable energy by 2015." The Consumer Protection Board (CPB) is pleased to be part of the solution to the State's call for energy efficiency, and is providing assistance at all levels of government to achieving the Governor's vision. The CPB is the only New York State Agency with statutory authority to represent consumers before the NYS Public Service Commission (PSC). The Agency intervenes on behalf of consumers regarding utility-related matters before federal regulators and the New York Independent System Operator (NYISO). Additionally, the CPB fields and responds to consumer complaints related to the Long Island Power Authority, since these complaints are not addressed by the PSC, and other energy and utility providers, and energy service companies. Over the past fiscal year, the CPB has filed numerous briefs, submitted testimony, and provided responses to rate requests, appeals, and other matters pending at the PSC and other regulators. The Agency's efforts have resulted in hundreds of millions of dollars in avoided costs that, without such advocacy, would have been passed on to ratepayers by utility operators in New York State.

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Advocating for and Empowering NY Consumers

Addressing Energy and New Technologies Challenges

Utility Intervention



Major Utilities

While the CPB was an active participant in numerous energy provider-related matters, the following key examples illustrate the types of activities and achievements the Agency realized on behalf of New Yorkers.



Energy Service Company (ESCO) Reform

The CPB's intervention to protect consumers from questionable business practices of some ESCOs resulted in significant improvements in marketing guidelines over the past year.



Low-Income Assistance Initiatives

Providing energy supports for low-income consumers is a priority for the Paterson Administration. The CPB's participation on numerous projects made a difference in access to energy for this group of New Yorkers.

The Consumer Protection Board (CPB) responded to numerous media inquiries in 2008 regarding its work on the Con Edison electric case, the Iberdrola merger, new rules governing the marketing practices of energy service companies (ESCOs), the manipulation of wholesale markets, the upstate ice storm, and several electric and gas rate cases, among others. As a result, the media and public continue to hold the CPB in high regard, and consider it the "go to" Agency on consumer affairs.

Major Utilities

Energy Efficiency Portfolio Standard (EEPS)

The Consumer Protection Board (CPB) helped to establish programs and policies within the Public Service Commission (PSC) to achieve the Governor's objective of reducing electricity demand in New York State by 15 percent by 2015. The Agency was named as a member of the Evaluation Advisory Group (EAG) at the PSC charged with the responsibility of overseeing and evaluating utility energy efficiency programs. In this capacity, the CPB helped to establish protocols and standards to be used to assess utility energy efficiency proposals. The CPB specifically called for clearly defined measurement and verification (M&V) methods for program evaluation as well as the need for more information on the total resource cost tests to be used in measuring effectiveness. The Agency then participated in the review of proposals submitted under the EEPS purview to assure the tenets of the program were met.

Consolidated Edison (Con Ed)

The CPB played a key role in achieving a unique settlement for consumers in Queens, New York, who bore tremendous personal losses due to power outages which occurred in July 2006. For the first time, customers achieved meaningful recompense, thanks to direct advocacy by the CPB along with representatives of the community, government, and small businesses. Specifically, direct payments were provided to affected consumers and small business operators; funds were obtained for an impact study, the results of which will be used to develop future policy and planning; and, direct and long-term environmental benefits were provided to the affected community.

The precedent-setting settlement spotlighted and reaffirmed the notion that Con Ed, not its customers, is responsible for costs associated with power outages, including network restoration. It also assured that Con Ed customers living in Staten Island, Westchester, and other locations were not forced to pay for costs associated with the 2006 outage in Queens.

Iberdrola

The CPB advocated for financial protections for consumers as Iberdrola expanded its presence in New York State. Indeed, in the past year, the CPB supported the expansion of wind energy in New York State, specifically recommending that Iberdrola be permitted to move forward with a merger of its companies, and its commitment to invest approximately \$2 billion in wind generation in New York State. Ultimately, PSC Judge Epstein saw the wisdom in the CPB's assertions that it was not necessary for Iberdrola to divest its wind generation business in order to operate in our State, and that utility customers should be insulated from possible financial risks that could have arisen from the merger of Energy East and Iberdrola, and approved the merger. Subsequently, the protections originally recommended by the CPB did insulate consumers from a proposed rate increase requested by Iberdrola in early 2009.



Tree Trimming Alert

In December 2008, the CPB partnered with the PSC to urge utilities located in New York State to aggressively pursue tree-trimming and vegetation management practices in accordance with standing agreements in order to help reduce the likelihood that customers would lose electricity after a major ice, snow, rain, or wind storm. The PSC's approval of the National Grid (the parent company of Niagara Mohawk) and KeySpan merger included provisions for spending approximately \$1.4 billion over a five-year period to, among other things, provide tree-trimming management and environmental maintenance. This, coupled with the observation that NYS Electric and Gas had decreased its tree-trimming expenditures over the past five years, led the Agencies to promise increased scrutiny of performance and overall environmental management by utilities.

Energy Service Company (ESCO) Reform

The Consumer Protection Board (CPB) worked tirelessly to afford New Yorkers greater protections from unscrupulous marketing and business practices used by some energy service companies (ESCOs) operating in New York State. Beginning in December 2007, when the CPB and the New York City Department of Consumer Affairs (DCA) filed a joint petition before the Public Service Commission (PSC) asking for reforms to protect consumers, the CPB hosted numerous outreach and training sessions in New York City and elsewhere in the State to advocate for stronger business rules and to educate consumers about their rights. After the CPB's official filings and numerous outreach programs, media releases, and interviews, change finally occurred. In October 2008, the PSC adopted new rules to respond to unscrupulous marketing practices by some independent marketers which had been harmful to consumers, including specific guidelines for in-person and telephone contact, the institution of a five-day investigation process for complaints, and requirements affording non-English speaking consumers language accommodations to protect the integrity of any agreements that might be made. Chairperson Bockstein praised the basic protections, stating that they went "a long way toward addressing the concerns raised by the CPB."

Low-Income Assistance Initiatives

During 2008, the Consumer Protection Board (CPB) continued its participation in the Low-Income Forum on Energy (LIFE), a coalition of low-income advocates, technical experts, regulators, and energy providers, to evaluate the changing regulatory environment, determine how competition affects low-income ratepayers, and to develop recommendations for new programs to assist low-income consumers. Additionally, the CPB maintained its membership on several boards and advisory committees to inform on activities by the NYS Energy Research and Development Authority (NYSERDA), through which it helped to oversee the use of approximately \$175 million in annual funds to promote energy conservation, energy efficiency, and low-income assistance programs.

Over the past year, the CPB directly intervened on behalf of low-income consumers on numerous occasions involving companies including Con Ed, National Grid, Niagara Mohawk, Orange and Rockland Utilities, and Central Hudson Electric and Gas Corporation (Central Hudson), to name a few. Several of these cases bear further discussion.

Based on the CPB's identification of deficiencies in Central Hudson's programs to assist low-income customers, first brought to the fore in 2006 and resulting in modifications which were again reviewed in 2007, Central Hudson proposed and was given permission for a one-time use of approximately \$1.9 million in surplus low-income program funds to provide a supplemental benefit to approximately 8,000 customers supported by the Governor's Home Energy Assistance Program (HEAP). An additional \$100 supplemental benefit was provided to each of those customers enrolled or eligible for its existing Enhanced Powerful Opportunities Program (EPOP). The new initiative took effect December 1, 2008.

On June 3, 2008, a petition filed by Niagara Mohawk to implement three modifications to its Low-Income Affordability Program was approved predicated in part on the CPB's work, including comments filed by the Agency in May 2008. The changes to the program provide for a monthly, instead of an annual arrears forgiveness credit, the elimination of the portion of the deferral to participants' arrears balances attributable to energy efficiency measures, and the limitation of participation in the program from an unlimited time period to 24 months, thereby giving opportunity to more people.

Additionally, the CPB was active in a coalition of sister State Agencies, including the PSC and NYSERDA, which developed and informed consumers about the benefits of and protections in HeatSmartNY, established by Governor Paterson to assist vulnerable New Yorkers with costly heating bills.

New York State Consumer Protection Board

Advocating for and Empowering NY Consumers

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Advocating for and Empowering NY Consumers

Addressing Energy and New Technologies Challenges

New York Independent System Operator (NYISO) Advocacy



Governance

The CPB works with the NYISO to assure consumer interests are protected. The Agency is a recognized leader, serving on committees and in work groups to achieve results for New York customers.



Oversight

NYISO actions over the past year have prompted the CPB to be especially vigilant and to actively respond on behalf of consumers. The Lake Erie Loop Flow matter is a good example of CPB intervention.

The New York Independent System Operator (NYISO), a not-for-profit corporation, operates the bulk electricity grid, administers the wholesale electricity markets, and provides comprehensive reliability planning for New York's electricity system. The Consumer Protection Board (CPB) represents consumer interests before the NYISO.

Governance

For the third consecutive year, the Consumer Protection Board (CPB) chaired the NYISO's Electric System Planning Working Group (Group), addressing issues including, but not limited to, reliability, operations, cost-effectiveness, efficiencies, resource adequacy, and transmission security. Over the past year, the Group worked on the 2009 Reliability Needs Assessment (RNA), which is the fourth cycle of the Federal Energy Regulatory Commission (FERC) approved Comprehensive Reliability Planning Process (CRPP). The RNA is a long-range reliability assessment of both resource adequacy and transmission security of the New York bulk power system conducted over a five and ten year planning horizon. The 2009 RNA is notable as it reflects the results of the expected energy efficiency gains pursuant to Governor Paterson's Energy Efficiency Portfolio Standard (EEPS) initiative.

Oversight

Lake Erie Loop Flow

In August 2008, the Consumer Protection Board (CPB) joined together with the New York Power Authority (NYPA) and the Long Island Power Authority (LIPA) to call on the Federal Energy Regulatory Commission (FERC) to conduct its examination of the Lake Erie Loop Flow issue expeditiously. The Agencies supported the FERC's investigation into a small number of market participants who used circuitous paths around Lake Erie to manipulate prices, causing New York's electricity customers to be significantly overcharged. The CPB, NYPA and LIPA called on the FERC to reassure the public by going beyond the current 120-day prohibition of scheduling over the involved transmission pathways by swiftly investigating, taking decisive action to prevent further potential harm, and, if warranted, ordering immediate refunds to affected consumers. Though the FERC did not order a refund of the excess charges, the CPB succeeded in bringing increased attention to the matter and pursued policy changes at the NYISO as a result of this debacle.

Specifically, in a letter dated August 7, 2008, the CPB's Chairperson and Executive Director formally requested the NYISO to take action to provide additional protection against market manipulation and/or economically inefficient market outcomes. The NYISO's August 15, 2008 response was generally supportive of the request. Subsequently, in committee and working group meetings, the CPB pressed the NYISO to consider enhancing its operations and market monitoring activity to more rapidly respond to problems in the future, and amending its tariffs to provide greater penalties against market manipulation. In response, the NYISO established a permanent work group in its Operations Section, that in coordination with Market Monitoring, will promptly identify inefficient market outcomes. The NYISO has also begun to formally consider a possible tariff amendment.

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Advocating for and Empowering NY Consumers

Addressing Energy and New Technologies Challenges Telecommunications



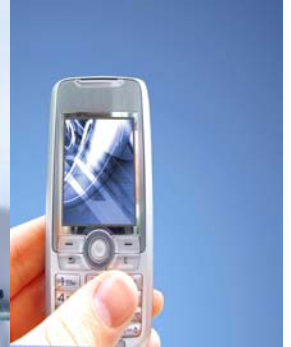
Digital Television Transition (DTV)

The CPB actively engaged lawmakers, intervened on behalf of consumers, and worked with media to assure a fair transition to DTV. The Agency developed resources to assist New Yorkers with the transition.



Telephone Service Quality

The CPB monitors telephone service quality and rate structuring. Its successful intervention resulted in benefits for consumers.



Cell Phone Resources

Cell phones are a way of life for many consumers, but with the convenience come privacy and other vulnerabilities for consumers and the environment. The CPB's resources are a source for the public and media.

Amidst the ever-changing telecommunications industry, the Consumer Protection Board (CPB) devotes attention to key issues to assure that consumer needs are met and interests represented.

Digital Television Transition

The digital television (DTV) transition from analog was highlighted by the Consumer Protection Board (CPB) since it was originally announced by the National Telecommunications and Information Administration (NTIA) two years ago. The transition requires all United States television (TV) stations to transmit in digital format only and stop broadcasting in analog. Originally set to occur in February 2009, the NTIA announced in January 2009 that the DTV converter program had run out of funds a full six weeks before the transition was scheduled to occur. The NTIA estimated that New Yorkers would remain on a waiting list for weeks, despite the imminent transition date. In response to these announcements, CPB Chairperson and Executive Director Mindy Bockstein wrote to Ms. Meredith Attwell Baker, who was then the NTIA's Acting Assistant Secretary for Communications and Information, expressing concern regarding the implementation of the digital television conversion coupon program and requesting a delay in the transition. Calls from Governor Paterson to postpone the transition, in concert with testimony and comments filed by the CPB as well as Chairperson Bockstein's outreach, helped to turn the tide. Subsequently, President Obama and Congress acted to delay the transition which was scheduled for June 12, 2009.

Telephone Service Quality

In addition to other programs, the Consumer Protection Board (CPB) monitors telephone service quality and rate structuring on behalf of consumers. In one particular case, Frontier Telephone of Rochester sought Public Service Commission (PSC) approval to eliminate consumer protection provisions in its current regulatory plan which were adopted in the 1990's as a condition of permitting Frontier to create a holding company structure. The CPB formally opposed Frontier's request in 2006, and has participated in negotiations since that time.

Finally, in July 2008, a Joint Stipulation & Agreement organized around four major areas: corporate governance, affiliate transactions, service quality, and financial integrity was issued for comment. The proposal incorporated many of CPB's recommendations relating to service quality and an agreement was adopted by the PSC on October 17, 2008. In its Order, the PSC commented that the Agreement strikes the proper balance between customer concerns and Frontier's interests, while assuring that safe and adequate services are not compromised.

In FY 2008, the CPB continued to monitor Verizon's service quality, including service installation time intervals, customer trouble report rate, and call center answer time over the past year. Where service did not meet applicable standards, the Agency investigated the reasons for noncompliance and reviewed Verizon's corrective action.

Cell Phone Resources

People the world over use cell phones on a regular basis, often forgetting the possible threats to their privacy and the potential for identity theft associated with mobile devices. The Consumer Protection Board (CPB) alerted consumers about how to protect privacy while using cell phones, and offered tips for disposing no-longer needed devices in an environmentally sound and safe manner.

Working with the NYS Office for the Prevention of Domestic Violence (OPDV), the CPB publicized and supported the recycling of cell phones and accessories at its February 2009 Consumer Action Day. The OPDV collected no-longer-used cell phones, batteries, and accessories to assist victims of domestic violence. The OPDV asserted that recycled "911" phones can help a victim of domestic violence safely obtain assistance when needed. In conjunction with cell phone recycling, consumers were given tips on privacy and confidentiality practices from the CPB.



Chairperson Bockstein welcomes people to Consumer Action Day with (L-R) NYS Office of Temporary Disability Assistance Commissioner David Hansell, Amy Barasch, Executive Director of the NYS Office for the Prevention of Domestic Violence and Michael J. Burgess, Director of the NYS Office for Aging.

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Advocating for and Empowering NY Consumers

Engaging the Public

Community Programming and Training Seminars

The CPB staff are conducting educational seminars statewide to provide vital information for New Yorkers.



Reaching Underserved Populations

The CPB expanded its resources for underserved populations with new programs and collaborations developed this year.



Media and Technology-based Communication

Knowledge is power! The CPB enhanced its ability to provide consumers with useful information at the grassroots level through the use of print, Internet, and electronic media.



Abraham Lincoln called for a government "of the people, by the people and for the people," but all too often, the public is not engaged in governing. President Barack Obama pointed out that "our greatness as a nation has depended on individual initiative, on a belief in the free market. But it has also depended on our sense of mutual regard for each other, of mutual responsibility. The idea that everybody has a stake in the country, that we're all in it together and everybody's got a shot at opportunity. Americans know this. We know that government can't solve all our problems - and we don't want it to. But we also know that there are some things we can't do on our own. We know that there are some things we do better together."

While it is indeed true that government can't possibly solve everyone's problems, by working together with New York's diverse communities in consumer protection efforts, we can positively impact our lives. The Consumer Protection Board (CPB) is engaging the public in its advocacy efforts, and, through its resources, assistance, and train-the-trainer programs, helping to create improvements in public policy for marketplace practices and in the lives of New Yorkers.

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Advocating for and Empowering NY Consumers

Engaging the Public

Community Programming and Training Seminars



Community Programming

Public programming such as Consumer Action Day, fairs, multicultural events, and other forums bring information, tips, and tools to thousands.



Training Seminars

"Give a man a fish and you feed him for a day. Teach a man to fish and you feed him for a lifetime." (Chinese Proverb) The CPB's training sessions are helping to broaden the public's knowledge base, giving them a lifetime's worth of lessons for the future.



Strategic Relationships

Through key strategic relationships, the CPB is exponentially expanding the number of people who receive its resources and gaining input from New Yorkers on a regular basis.

Following the broadest definition of "community" as "society at large," or "any group of people living in the same locality and under the same government," or "a group of people having common interests," the Consumer Protection Board (CPB) engages constituency groups of all backgrounds to be aware of their rights in the marketplace.

Community Programming

Complementing its direct assistance services and website is the Consumer Protection Board's (CPB) involvement in public events, town hall meetings, and community fairs. Over the past year, communities around New York State -- from Long Island and New York City to Syracuse and Buffalo -- have been provided with free shredding events and numerous workshops on scams, credit, identity theft, toy safety and recalls, digital television conversion, privacy, data breach, and other consumer issues, courtesy of the CPB. The Agency sponsored a Consumer Action Day in February 2009, bringing more than 30 State, federal and not-for-profit agencies together to offer resources on financial literacy for consumers, and participated in several gatherings for seniors sponsored by members of the Legislature. The Agency also participated in the NYS Association of Black, Puerto Rican and Asian Legislators, Inc. and the Somos El Futuro Conferences.

Training Seminars

In light of the public fisc, the Consumer Protection Board's (CPB) outreach approach emphasizes a wholesale educational effort through strategic workshops and train-the-trainer seminars with community and business partners, professional service providers, and educational and religious organizations. Train-the-trainer workshops have proven to be an effective tool in data breach prevention and response, identity theft prevention, credit card usage, and other areas. By utilizing this method, the CPB is bringing its consumer protection messages to greater numbers of people, as those trained by the CPB's experts then pass their knowledge on to others. The Agency has expended time and effort to assure that many of its presentations were conducted and are available in English, Spanish, and Chinese.

Strategic Relationships

In the last year, the Consumer Protection Board (CPB) cultivated strategic relationships with dozens of public and private entities to impart key information and to solicit input from constituents regarding consumer issues. In FY 2008/09, the CPB has worked collaboratively with numerous State Agencies, school districts and libraries, as well as others such as the NYS Retired Teachers Association, the New York Foundation for Senior Citizens, the National Federation for the Blind, Safe Kids NY State, Credit Suisse, J-Cap Drug Rehabilitation Centers, the Veterans Administration Hospitals, District Council 37 Union, Career Gear, Barnes and Noble College Booksellers, the NYS Community Action Association, First Niagara Bank, NeighborWorks, Inc., the NYS Builders Association, the NYS Restaurant Association, the Empire State Restaurant and Tavern Association, NYS Hospitality and Tourism Association, Museum Association of NY, American Academy of Pediatrics, the Medical Society of the State of New York, the Boys & Girls Clubs of America, the NYS Association of Counties, and the Institute for the Puerto Rican and Hispanic Elderly, among others.

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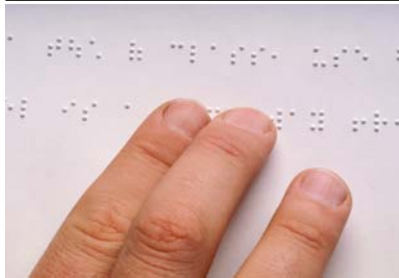
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Advocating for and Empowering NY Consumers

Engaging the Public **Reaching Underserved Populations**



Programs for Individuals with Visual Impairments

New Yorkers with visual impairments have access to CPB resources through relationships cultivated with RISE radio and the National Federation for the Blind of New York State.



Resources for Non-English Speaking Populations

To help non-English speaking communities avoid pitfalls and scams, the CPB has engaged in a concerted effort to provide materials in Chinese and Spanish.



Assistance for the Unemployed and Underemployed

In light of significant job losses in FY 2008/2009, the CPB directed its efforts towards providing educational resources and important information to the newly unemployed and underemployed.

Consumers with special needs are in need of marketplace information, but often have limited access to it. The Consumer Protection Board (CPB), under the leadership of Governor Paterson, actively worked in FY 2008/2009 to increase the availability of information in diverse communities and population groups.

Programs for Individuals with Visual Impairments

Through a collaboration with RISE radio, WMHT's 24 hour radio information service for individuals with visual impairments in New York's Capital Region and Hudson Valley, the Consumer Protection Board's (CPB) Chairperson and Executive Director, Mindy A. Bockstein, has been featured on a regular monthly consumer protection broadcast. RISE works through Albany's public broadcasting station, and transmits on a sub-carrier of the main WMHT-FM signal and a specially tuned table-top radio receiver, providing listeners with access to readings of local and national newspapers, popular periodicals and books, as well as special programming.

Further, the Agency continued its working relationship with the National Federation of the Blind (NFB), New York State Chapter, expanding its efforts to promote access to resources and information by placing formatted documents on its website. The CPB became the first New York State Agency to link up with the NFB to assure that people with visual impairments are provided with key consumer information in 2007. The CPB's newsletter and other materials are posted on the NFB-NEWSLINE® - a free service that was created to bridge the technology gap for individuals with visual impairments.

Resources for Non-English Speaking Populations

Spanish

This past year, the Consumer Protection Board (CPB) launched its first issue of a Spanish-language newsletter. "El Consumidor Latino" addresses consumer issues specific to the Latino community. The newsletter complemented the Agency's newly revamped Spanish-language webpage, which houses recent and updated content on children's safety, identity theft, financial life skills, homeownership and maintenance, smart shopping and scams, and a kids' page. The Agency's monthly online ConsumerCast audio podcast is also produced in Spanish. During FY 2008/2009, the Agency launched its first Spanish-language campaign around the Stretching Your Dollar Effort (SYDE), which included a special person-on-the-street report where Latino New Yorkers shared their tips in Spanish on how they save money when shopping.

The CPB has also increased its presence in the Latino media, partnering with news organizations to disseminate consumer information to the public in Spanish. This effort includes publishing a monthly news column in the major New York Latino print publications, such as El Diario, El Aguila, Latino New York magazine, and El Especial. The CPB's information was frequently broadcast to the public on television (e.g., Univision, Telemundo), over the radio (e.g., Mega radio), and through the Internet. The CPB partnered with the Hispanic Information and Technology Network (HITN) appearing regularly on this outlet to provide information to consumers about current marketplace issues, such as the digital television transition and scams relating to the federal economic stimulus package.

The Agency has also increased its outreach to grassroots not-for-profit organizations and service providers. New Spanish-language train-the-trainer programs have been developed, including programs on private career schools, and credit and credit card management. These presentations have been offered and conducted at large-scale organizational workshops and at events throughout the State, including at the Gateway To Entrepreneurial Tomorrows' Latino Expo in the Hudson Valley and La Alianza Dominicana in New York City.

Chinese

The CPB provided resources and programs to the Chinese community aided by a new Chinese-language webpage, which houses information relating to the prevention and response to identity theft, choosing a private career school, and scam prevention. Educational programming was conducted on a regular basis to community-based organizations. The Agency increased its interaction with Chinese-language media, providing interviews and content to print and radio outlets. For example, CPB staff appeared as guests on a monthly basis on Chinese Radio NY (1540 AM). Topics covered this past year included debt collection, home improvement, energy assistance, and identity theft.

Assistance for the Unemployed and Underemployed

Partnering with the NYS Department of Labor (DOL), the Consumer Protection Board (CPB) was able to offer its materials and services through the DOL one-stop employment centers. The CPB's financial life skills are also available through the DOL CareerZone and JobZone websites to inspire youth and adults in search of employment.

Many unemployed or underemployed New Yorkers collect or are looking to apply for work supports offered by the State, which include food stamps and WIC. To reach this population with educational materials and services, the CPB partnered with the NYS Office of Temporary and Disability Assistance (OTDA) to make available CPB's financial life skills information on the myBenefits website. In addition, a letter sent to OTDA clients who are ending their affiliation with work supports includes information regarding CPB's services and resources. More than 5,000 clients receive this letter every month.

This past year, the CPB helped staff and clients of Career Gear, a job-readiness and re-entry program, by conducting train-the-trainer workshops and providing resources on financial life skills.

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Advocating for and Empowering NY Consumers

Engaging the Public Media and Technology-based Communications



"Frustrated" Campaign

The CPB's "Frustrated" public service campaign served to link New Yorkers to methods of obtaining satisfactory resolution to consumer problems ranging from billing disputes, identity theft, product repair, scams, and more.

Using Technology to Support the Agency's Mission

Through the use of the Internet and current technology, the CPB is reaching thousands of consumers who might not have otherwise had access to assistance and information.

Consumer trends demonstrate that information dissemination and consumption by the public is occurring through multiple platforms, including over the Internet. For this reason, the Consumer Protection Board (CPB) focused its efforts during FY 2008/2009 on print and web-based campaigns to reach more consumers with educational materials and to inform them of Agency services of which they can avail themselves.

"Frustrated" Campaign

To expand the sphere of impact of the Agency, the Consumer Protection Board's (CPB) "Frustrated" public service campaign was created to provide information to consumers on how the CPB can help them with billing disputes, utility services, identity theft, product repair issues, and scams. A year-long bus ad campaign ran from April 2008 through March 2009 and exposed millions of people per month in the Albany, Schenectady, Rensselaer and Saratoga Counties and in Rochester, Buffalo/Niagara, Syracuse, Utica and Rome to information about the CPB's work as well as contact information. A diorama featuring the CPB public service ad reminded travelers at the Rensselaer Train Station serving the Capital District of New York State of an important portal for information and direct intervention. To augment this dynamic initiative, the message was also published on the Agency's website.

Using Technology to Support the Agency's Mission

In the FY 2007/2008, the Consumer Protection Board (CPB) focused on the development of its website as a necessary and low-cost repository for businesses and consumers to find useful information. As a result, it registered more than 1 million hits in FY 2008/2009. Updated almost daily, the CPB's online resources use a multimedia approach to reach and engage consumers. Streaming video with CPB content was added on the site, covering such topics as child safety, financial life skills, and security breach notification business compliance. The Agency's audio and video clips of its public service campaigns provide creative platforms for viewers. The Agency also continued to produce the ConsumerCast podcast each month focusing on topical consumer issues. Further, the CPB's Watchdog newsletter is now produced electronically, in accordance with "green" standards.

This year the CPB revised several of its brochures with the goal of making them more user-friendly. Now, numerous life skills resources are fillable for on-screen usage. Language accessibility was also enhanced through the reconstruction and launch of a new Spanish-language portal and the creation of a Chinese-language webpage.

The Agency's online complaint form was also updated to reflect the CPB's role as a liaison on behalf of identity theft victims. In addition, the CPB integrated a search function into each webpage. Simply type into the search window the topic for which you are looking and a listing of relevant pages will now be displayed.

Next year, we look to engage consumers through the use of appropriate web 2.0 technology whose platforms preserve consumer information privacy.

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FY 2008/2009 ANNUAL REPORT *of the* New York State Consumer Protection Board

David A. Paterson
Governor
Mindy A. Bockstein
Chairperson and
Executive Director

Advocating for and Empowering NY Consumers

Vision Statement



Building on its efforts and achievements in mediation, advocacy, policy development, utility intervention, and programming, in FY 2008/2009, the Consumer Protection Board's (CPB) vision for the future is to:

- Expand direct assistance and services for consumers;
- Assure quality, cost-effective, efficient and timely services are provided for New Yorkers;
- Create additional multi-media educational tools and leverage new delivery systems to reach underserved populations;
- Raise greater awareness about children's product safety and recalls;
- Craft new dynamic programs to engage and prepare young consumers for financial independence;
- Pursue and advocate for policies that promote efficient and reliable utility services;
- Examine and educate the public on the impact of emerging technologies;
- Identify new opportunities for collaboration and cooperation; and,
- Tap new technologies, consistent with privacy principles, to inform and engage the public.

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David A. Paterson
Governor
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Executive Director

Advocating for and Empowering NY Consumers

Contact Us

New Yorkers may contact the New York State Consumer Protection Board via e-mail, regular mail, or telephone for information, assistance, and mediation. The Agency's website hosts numerous resources and programming information.

Locations

Albany Office
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NYC Office
1740 Broadway, 15th Floor
New York, NY 10019

Main Phone Numbers

Toll-Free Consumer Hotline
1-800-697-1220

Albany
518-474-3514

NYC
212-459-8850

Key E-Mail Addresses and Links

File a Complaint:
<http://www.nysconsumer.gov/complaint.htm>

Webmaster:
webmaster@consumer.state.ny.us

Credit Card Story:
creditcardstories@consumer.state.ny.us

Home Improvement Questions:
asktheexpert@consumer.state.ny.us

Stretch Your Dollar Suggestions:
my2cents@consumer.state.ny.us

Youth Programming:
cpbyouthprogrammingnetwork@consumer.state.ny.us

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