

MCRRC The Voice For Maryland Consumers
MARYLAND CONSUMER RIGHTS COALITION

1209 North Calvert Street Baltimore, MD 21202 410.624.8980 www.marylandconsumers.org

2012 Annual Report

**The Maryland Consumer Rights Coalition advances fairness
and justice for Maryland consumers through research,
education, and advocacy.**

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None of us alone can save the nation or world. But each of us can make a positive difference if we commit ourselves to do so.”

— Cornel West, *Race Matters*

Dear Friends:

As I started writing this letter and reflecting upon MCRC’s work last year, I was struck, once again, by how important it is that MCRC is a coalition. It is each of you -- your voice, your expertise, and your willingness to contact policymakers -- that enabled us to effect real change and achieve some measure of justice for Maryland families in 2012.

Last year, MCRC had an opportunity to move quickly to hold the five banks that were part of the national robo-signing settlement accountable for their actions – misconduct that included foreclosing on homeowners who had loan modifications pending with servicers, wrongful denial of loan modification applications, losing documents submitted by homeowners, and taking months and sometimes years to process loans modifications that should have been reviewed in weeks.

Working with the Moving Maryland Forward Network, we called on the regional leaders of the five banks to act right away to offer new, affordable mortgages to Maryland families that qualified for modifications, to provide us with detailed information about how they were implementing the mortgage settlement, and to let us know what challenges they observed on the ground. MCRC also coordinated a coalition of housing counselors, legal service professionals, community organizers, and policy specialists to review the settlement, develop specific requests to the banks, and mobilize our members to hold the banks accountable.

In the process, we expanded our base of supporters from about 700 to more than 6,000. And more than 5,000 of you signed our petition to the bank leaders. This gave us enough momentum to convene meetings between our housing coalition leaders and regional bank leaders. Through those discussions, MCRC has been able to help some homeowners who’ve been frustrated by their loan servicers get relief by raising their issues at the banks’ highest levels. However, we know that one person’s successful outcome -- however gratifying -- is not enough. That is why MCRC continues to work to pass laws that will make foreclosures fewer and banks more accountable.

In 2012, MCRC worked on the Governor’s Task Force on Foreclosures to press for sustainable loans and a more robust and thoughtful approach to mediation. We continue to follow up on these efforts and new national mortgage settlements while also tackling the bread and butter issues that make up our daily lives: access to homeownership, credit, fairly-priced vehicles, and to ways to reduce our debts.

We do this work in coalition-with like-minded groups, with consumer advocates, and with each of you who wants to add your voice to make Maryland a fairer and more just state. In 2013, we will be ramping up our efforts to protect homeownership, prevent foreclosures, make car insurance more affordable, and help consumers deal with their debts.

Thank you for working with us and for justice in our state.

Best,

Marceline

Letter from the president of the board

For MCRC, 2012 was a year of significant growth and notable achievements.

We helped pass laws that give families and communities new protections against foreclosures and give both children and adults new protections against identity theft. We were able to get major media across Maryland to focus on our concerns about the foreclosure crisis, the ways rent-to-own stores overcharge families in low- and middle-income communities, and other key consumer issues.

Through screenings on Maryland Public Television and at forums across Central Maryland, our film “Stealing Trust” helped tens of thousands of Marylanders understand how to stop financial fraud. Our new home improvement guide helped hundreds of homeowners protect their savings and their rights when they renovate their homes. And as we intensified our outreach work to policymakers, the press, and on social media, we added more than 5,000 names to our list of supporters ready to act to defend and extend consumer rights in Maryland.

For Maryland consumers, however, 2012 was a year when a limited economic recovery left far too many families struggling to save their homes and make ends meet. In response, MCRC focused its work on the most pressing pocketbook issues.

We made a special push this year to help families save what is often their largest and most precious asset -- their homes. With thousands of Marylanders facing foreclosure even as a national mortgage settlement held out promises of relief, we organized advocates to push banks and regulators to do more to help families stay in their homes and make the mortgage settlement live up to its promises. We made some progress, and we were able to get the banks to help some families who’ve struggled for years to modify their mortgages. But as 2013 begins, we’re still pushing the banks to do more and looking for new ways to protect homeowners.

In 2013, we’ll also focus on protecting consumers when they make what for most families is their second-largest purchase – buying a car. We’ll soon issue a new film and research report that document the scams car buyers face and give consumers important tips on how to buy a car without being taken for a ride. We’ll also fight for fairer car insurance rates for low- and middle-income families.

We know we’ll face strong opposition as we work to protect consumers from foreclosures, car sales scams, and other abuses in 2013. And we know we’ll need not just the support and but the active engagement of advocates like you to make sure the voice of Maryland consumers is heard in Annapolis and across the state.

I hope you’ll continue to play an active part in MCRC’s continuing commitment to help protect the homes and assets of Maryland families in the year to come.

Bill Leibovici

MCRC 2012 Highlights

Pushing banks and regulators to help families save their homes: MCRC rallied advocates, petitioned banks and regulators, and got the regional leaders of Wells Fargo and Bank of America to meet with us to discuss how they could do more to help homeowners in distress even as we got major media across Maryland to focus on what banks and regulators need to do to make the national mortgage settlement more effective.

Lobbying legislators to protect our rights: We helped pass new laws that give communities better information about who owns some vacant properties, give homeowners facing foreclosure a better chance to save their homes by going to mediation earlier, protect families that have lost their homes against big tax bills, and safeguard children and vulnerable adults against identity theft.

Holding lawmakers accountable: Our third annual legislative scorecard graded each lawmaker on his or her record on key consumer issue in 2012, letting consumers know whether their lawmaker is a friend or foe of Maryland consumers. Baltimore's Channel 2 News, *The Baltimore Sun*, and the *Maryland Gazette* featured the findings of our scorecard.

Educating consumers about financial threats: By screening our film "Stealing Trust" around Central Maryland and on Maryland Public Television, we helped thousands of Marylanders understand how to protect their pocketbooks from financial predators.

Revealing rent-to-own rip-offs: Our "Profiting from the Poor" research report brought regional and national attention to the high prices and outrageous interest rates rent-to-own stores charge Maryland consumers. Major media across Maryland featured our findings, *The Baltimore Sun* gave our proposals strong editorial support, the Abell Foundation reproduced our report in its newsletter and the New America Foundation's Asset-Building Project featured our findings for its national audience.

Stopping home improvement scams: Working with nonprofit partner groups and home improvement stores, we distributed more than 1,000 copies of our new guide to "How to Improve Your Home Without Losing Your Shirt" to homeowners across the state.

Winning new supporters: Through our work with the Moving Maryland Forward Network and other advocacy projects, we added more than 5,000 new names to our list of supporters ready to act to protect fairness and justice for Maryland consumers.

MCRC Advocates

Every year, the Maryland General Assembly meets for 90 days between January and April to consider more than 2,000 bills and pass a budget for the state. And every year, MCRC carefully assesses which of these initiatives can do the most to protect the pocketbooks and safeguard the assets of Maryland consumers, and incorporates the most promising ones into the legislative agenda we distribute to lawmakers and journalists each January.

In 2012, MCRC lobbied and testified on more than 20 bills, and tracked the votes on dozens more for the Consumer Caucus and our legislative scorecard. In a contentious legislative session dominated by bruising debates on the state budget and marriage equality, we succeeded in passing seven of our nine priority bills.

It is no small feat to move bills out of key committees, to the floor of each chamber and on to final passage in each chamber. Yet some of our most important work is about defeating the many bills each year that would weaken consumers' rights, promote expensive and risky financial products, and make consumers more vulnerable to financial predators.

One of our most important achievements in 2012, for example, was working with other advocates to kill a bill that would have brought predatory "table-funded" mortgage lending back to Maryland in key committees in each chamber.

These were some of MCRC's other key 2012 advocacy achievements:

- Bringing together policy experts and advocates in working groups to **pressure the banks to do more to save homes** and to protect consumers from **auto sales abuses**.
- Serving on the **Maryland Foreclosure Task Force**, which developed recommendations to the governor for new ways the state can protect families and communities from the housing crisis.
- Convening **Maryland's Consumer Caucus** and leading its work to protect Maryland consumers during the legislative session
- Bringing together almost 100 state senators and delegates, consumer advocates, activists and allies for our annual **Consumer Caucus legislative reception** in January
- Winning appointment to Maryland's new **Task Force for Insurance of Last Resort Programs**.

- Appealing to Federal Housing Finance Administration Acting Director Edward DeMarco to **drop unfair mortgage guaranty fee hikes** for homebuyers in some states (including Maryland) that have strengthened judicial protections against foreclosures.
- Working with other consumer advocates to **prevent the Maryland Motor Vehicle Administration from weakening disclosure rules** for the sale of used cars.
- Signing on to **national advocacy letters** to stop payday lending by the big banks, protect the Dodd-Frank law's Wall St. reforms, prevent Congress from weakening regulations of rent-to-own stores, limit mandatory arbitration in consumer contracts, and preserve access to low-cost wireless service for low-income families.

In 2013, MCRC will continue to closely monitor the data from the national mortgage settlement and push the banks to do much more to help families save their homes.

Making the national mortgage settlement work for homeowners in distress

When five big banks signed a \$25 billion settlement to the robo-signing scandal with 49 state attorneys general in February, MCRC responded quickly. Working with the Moving Maryland Forward Network, we petitioned the banks to implement the settlement's terms right away and to help more families in distress stay save their homes. Because almost 5,000 people signed our petition, the regional leaders of Wells Fargo and Bank of America agreed to meet with MCRC and other leading fair housing advocates to review their relief efforts. We got the banks to agree to communicate by email with housing counselors and to modify the mortgages of some homeowners who had been struggling for many months get their mortgages reviewed.

But we didn't stop there. We published detailed analyses pointing to the disappointing results of the agreement, with specific recommendations for ways to make it do more to help homeowners. We organized advocates to petition the Office of the National Settlement Monitor for the data we need to see whether the communities hardest hit by the foreclosure crisis are getting the help they need from the settlement.

WBAL-TV News, The Washington Post, The Baltimore Sun, The Daily Record, the Baltimore Business Journal and the Maryland Gazette featured our concerns about the housing crisis, and Marceline White appeared on "Midday with Dan Rodricks," "Maryland Morning" and "The Marc Steiner Show" and WEAA-FM News to explain what we need to do to make the settlement work better.

MCRC Educates

MCRC works to help consumers understand how to protect their homes and assets against financial predators. These were some of the highlights of our educational work in 2012

- Hosting a **special screening of “Stealing Trust” on Maryland Public Television** in April as part of National Consumer Education Week that featured advice from consumer advocates and a hotline for consumers to call in for help. More than 20,000 Maryland households tuned in.
- Conducting **forums on the housing crisis** in Baltimore in February and in Frederick in September.
- Distributing more than 1,000 copies of our **new guide to “How to Renovate Your Home Without Losing Your Shirt”** to homeowners around the state.
- **Explaining home improvement scams** to consumers at the Montgomery County Advisory Committee on Consumer Protection’s home improvement forum in Rockville in June.
- Holding **film screenings to highlight consumer fraud issues** in Prince George’s County and St. Mary’s County.
- Addressing **Prince George’s County’s 202 Coalition** on rent-to-own abuses and other consumer protection concerns.
- Offering **advice to homeowners in trouble at Prince George’s County’s Housing Fair** in June.
- Giving a keynote address **advising seniors how to protect themselves against financial fraud** at a rally for World Elder Abuse Awareness Day in Towson, MD in June.

MCRC Informs

MCRC works to keep legislators, policymakers and the public well-informed about the impact of key financial issues on consumers in our state. Here are some of the ways we did that in 2012:

- Conducting interviews with CNN, WBAL-TV, *The Washington Post*, *The Baltimore Sun*, *The Maryland Gazette*, WYPR FM's "Midday with Dan Rodricks" and "Maryland Morning" programs, WEAA-FM's "Marc Steiner Show," the *Daily Record*, the *Baltimore Business Journal*, and other major media about how banks and regulators can help more families save their homes.
- Summarizing the year's consumer legislation at a Legislative Wrap-up sponsored by the Maryland Budget and Tax Policy Institute and the Maryland Association of Nonprofit Organizations In May.
- Explaining how rent-to-own stores overcharge vulnerable consumers on WBAL-TV News, WYPR-FM News, "Midday with Dan Rodricks," "The Marc Steiner Show," and in the *Maryland Gazette* and other publications.
- Updating policymakers on debt settlement abuses with two issues of our "Debt Settlement Watch" Newsletter.
- Evaluating what the banks have done to implement the national mortgage settlement with detailed analyses of the first two progress reports on the agreement.
- Publishing an op-ed column in *The Baltimore Sun* explaining how to make the national mortgage settlement do more to help families save their homes.
- Celebrating the achievements of Del. Craig Zucker, Deputy Commissioner of Financial Regulation Anne Balcer Norton, consumer rights attorney John Relman, and the WTOP Radio "Call-For-Action" consumer volunteer team at our Annual Awards Event.
- Keeping supporters and journalist up-to-date on the latest consumer news and research with hundreds of updates on Facebook and Twitter.



MCRC Executive Director Marceline White (far left) with the four award-winners at MCRC's 2012 Annual Awards Dinner. From left to right: Del. Craig Zucker (Legislative Achievement of the Year), Eileen Churchill, WTOP Call for Action Team (Consumer Volunteers of the Year), John Relman (Legal Champion of the Year), and Deputy Commissioner of Financial Regulation Anne Balcer Norton (Consumer Advocate of the Year).

Coming Attractions – 2013

While we can't know exactly what next year will bring, these are some of the major projects we will focus on in 2013:

- Producing and distributing a **new film and research report on auto sales abuses** and what consumers can do to protect themselves when they buy a new or used car
- Continuing to **push the banks and regulators to do more to help families save their homes** and to make the national mortgage settlement live up to its promises.
- Working in Annapolis to strengthen laws to protect **vulnerable homeowners** and tenants, **safeguard debtors** from unfair punishments, and protect access to affordable energy.
- **Analyzing new data** on what **debt settlement firms** have done for Marylanders and monitoring the industry's practices through our "Debt Settlement Watch" newsletter.
- Advocating for **fairer and more affordable car insurance rates** for low- and middle-income families.



The stories of these and other consumers tell about the devastating impact of financial fraud on their lives make “Stealing Trust” a very powerful film.

MCRC Financial Fraud Film Wins National Award

In April, “Stealing Trust,” MCRC’s powerful film about the devastating impact of financial fraud on Maryland families, won the 2012 Community Engagement Film Award from the National Community Reinvestment Coalition (NCRC). NCRC’s annual award recognizes independent filmmakers whose work increases awareness of economic justice issues. And throughout the year the film helped us open up discussions about the foreclosure crisis and other financial fraud issues to audiences around Central Maryland.

The film served as a centerpiece for forums on the housing crisis in Baltimore in February and in Frederick in September and for Maryland Public Television’s educational programming for National Financial Education Week in April. Since its premiere in May 2011, we’ve now conducted more than 15 film screenings around Central Maryland and the film has proved to be a great way to open up discussions about, and win press attention for, the foreclosure crisis and other financial fraud issues.

You can order a copy of Stealing Trust for just \$5 here: <http://www.marylandconsumers.org/Advocacy/MCRCDocumentaryFilmStealingTrust/tabid/153/Default.aspx>

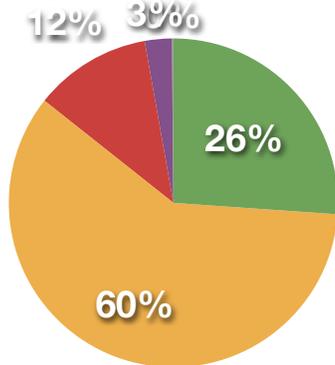
In 2013, we’ll build on the success of “Stealing Trust” by releasing a new film that documents auto sales abuses through the eyes of consumers who’ve been scammed, leading consumer advocates and honest auto dealers and shows consumers what they need to do to protect themselves when they buy a new or used car.

2012 Financials

				Dec 31, 12
ASSETS				
	Current Assets			
		Checking/Savings		
			M & T Bank - Market Advantage	100,801.61
			M&T - Checking	<u>87,272.70</u>
		Total Checking/Savings		188,074.31
		Accounts Receivable		
			Accounts Receivable	<u>6,681.10</u>
		Total Accounts Receivable		6,681.10
		Other Current Assets		
			Prepaid Expenses	<u>1,664.66</u>
		Total Other Current Assets		<u>1,664.66</u>
	Total Current Assets			<u>196,420.07</u>
TOTAL ASSETS				<u>196,420.07</u>
LIABILITIES & EQUITY				
	Liabilities			
		Current Liabilities		
			Accounts Payable	
				Accounts Payable
				<u>7,074.13</u>
			Total Accounts Payable	<u>7,074.13</u>
		Total Current Liabilities		<u>7,074.13</u>
	Total Liabilities			7,074.13
	Equity			
		Opening Bal Equity		11,693.17
		Retained Earnings		217,893.10
		Net Income		<u>-40,240.33</u>

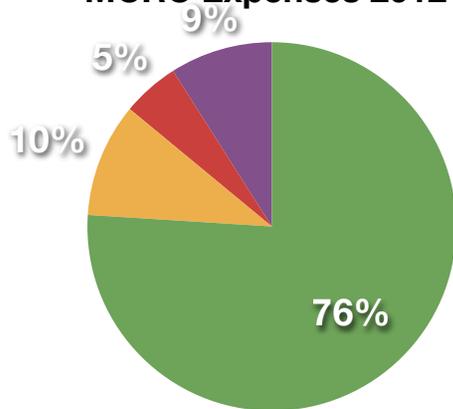
	Total Equity				189,345.94
TOTAL LIABILITIES & EQUITY					196,420.07

MCRC Income 2012



- Grants, Unrestricted
- Grants, Restricted
- Individual Gifts
- Annual Meeting
- Interest Income

MCRC Expenses 2012



- Lobbying
- Program
- Fundraising
- Administration

Thank you to all of MCRC's Supporters

Individuals

Don Akchin
Angie Barnett
Jedd Bellman
Delegate Liz Bobo
Rebecca Bowman
William Bua
Paula Carmody
Delegate Al Carr
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Foundations

Abell Foundation
Annie E. Casey Foundation
The Krieger Fund
The Fund for Change

Organizations

AARP Maryland
Center for Responsible Lending
Civil Justice
Maryland CASH Campaign
Maryland Health Care for All
Maryland Legal Aid Bureau
National Association of Consumer Advocates
St. Ambrose Housing Aid Center

Businesses

Fitzgerald Auto Malls
Gordon & Wolf, Chtd.
Tracfone Wireless
Zuckerman, Spaeder, LLP

Cy Pres Awards

Tray W. Eason v. AFNI, Inc. with thanks to Michael Worsham and Brian Bromberg

Bradshaw v. Hillco with thanks to Scott Borison, Phil Robinson, Peter Holland, and Mike Morin

MCRC's Impact

MCRC is Maryland's statewide voice on consumer issues. If you care about injustice and predatory financial practices, join us to maintain strong laws and to expand and build stronger protections for families across the state.

An investment in MCRC will yield concrete results on the issues we care about.

MCRC will work on foreclosures and housing, auto financing and fraud, insurance, debt collection and debt buyers, and more in 2013.

Join us and support us!

You can learn more about what we do each day to protect Maryland consumers by following our work on Facebook [here](#) and on Twitter [here](#).

Here's where you can find us:

Maryland Consumer Rights Coalition
1209 N. Calvert St.
Baltimore, MD 21202

On the web: www.marylandconsumers.org

On Facebook: [facebook.com/mdconsumers](https://www.facebook.com/mdconsumers)

On Twitter: twitter.com/mdconsumers

Tell Us Your MCRC Story....

Why did you join MCRC and what makes your blood boil? We will be collecting these stories and issues and sharing them on social media (with permission, of course) as a way to strengthen our collective voices and to create a community conversation about the need for strong consumer protections, regulation, accountability, enforcement, and consequences.

MCRC is working to build a world where the poor won't pay more and you won't need a law degree to understand your mortgage or your credit card contracts. We invite each of you to remain part of our community, to reach out to others, and actively engage on these issues.

We will be listening to your stories, ideas, and opinions. We invite you to join the conversation and tell your story by leaving your completed name tags here, posting your stories on our Facebook page or by tweeting them to our account.

You can find us on Facebook at facebook.com/mdconsumers, on Twitter at twitter.com/mdconsumers, and on the web at www.marylandconsumers.org.