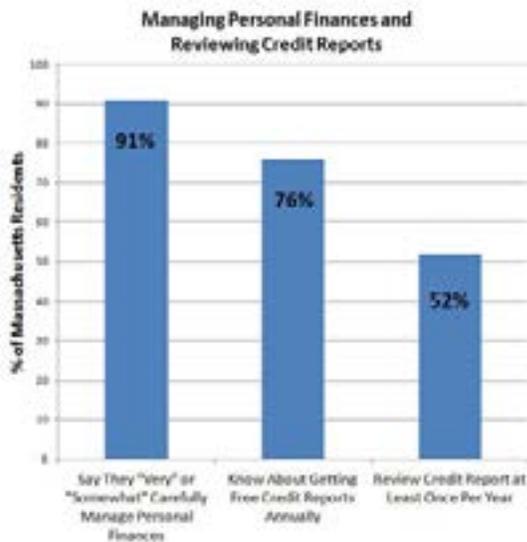


Financial Awareness Survey Finds Consumers Do Not Regularly Receive Credit Reports

The Office of Consumer Affairs and Business Regulation conducted a survey of 500 consumers that found while most consumers believe they are hands-on in managing their finances, many do not take basic steps to do so. The poll, which focused on consumer financial knowledge, found that while 91 percent of consumers believe they actively manage their finances, only about half (52 percent) even look at their credit reports once a year.



Consumers can receive free credit reports once a year from each of the three national credit reporting agencies: Experian, TransUnion and Equifax. You can access your credit reports at www.annualcreditreport.com. It is best to space out the reports and receive one report every four months. Carefully managing your personal finances is the first step to prevent becoming a victim of identity theft, or at least mitigating its harmful effects on credit scores and savings. Consumers should regularly review bank and credit card statements and shred old bills and documents that contain personal information.

The survey also found that consumers need to better protect themselves when shopping online. Just 36 percent of consumers research an unfamiliar online business before conducting a financial transaction. While consumers face little risk at reputable websites, con artists often try to lure shoppers with too-good-to-be-true offers that result in identity theft.

There are a litany of resources available to help consumers navigate the marketplace and difficult financial decisions. Just over half of respondents were aware of the Office of Consumer Affairs and Business Regulation, with younger and less affluent consumers the least aware of the Office.

News From the Undersecretary

Earlier this month, Governor Deval Patrick signed "An Act Preventing Unlawful and Unnecessary Foreclosures." This new law increases consumer protections and continues the Commonwealth's national leadership on foreclosure prevention.

The new law mandates that lenders prove loan ownership prior to taking foreclosure action. The law prohibits lenders from misrepresentation, imposing unfair costs and fees. It also creates a task force to study foreclosure mediation and other alternatives for homeowners. We have found that when a lender and homeowner sit down face-to-face to review a mortgage, that is when things can best happen to keep a family in its home.



*Undersecretary
Barbara Anthony*

Gov. Patrick directed the Division of Banks to create regulations to enhance mortgage loan servicing standards to regulate third-party loan services. These regulations will require lenders to consider all available options before proceeding to foreclosure, similar to standards created in a recent national mortgage servicer settlement with five national servicers. The new law also requires lenders to conduct a "Net Present Value Analysis" for certain mortgage loans before foreclosing. This means that lenders cannot foreclose on a homeowner if modifying a mortgage loan will cost the lender less than foreclosure will cost.

Responding to the foreclosure crisis has been a priority of both my office and the Patrick-Murray Administration. Over the past few years we have established a number of initiatives designed to keep families in their homes, including workshops in cities hit hardest by foreclosures. Fourteen workshops have given nearly 4,000 homeowners the opportunity to meet one-on-one with lenders and consider workout options. Our latest workshop will take place on August 29th in the City of New Bedford.

This new law is welcome news to residents who face problems paying their mortgages and are facing the very real possibility of foreclosure. If you find yourself in this situation, I urge you to join us for our foreclosure workshop this month in New Bedford.



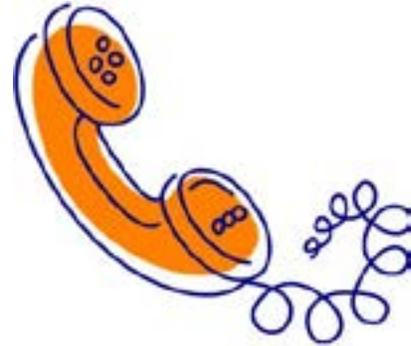
Federal Communications Commission Modernizes Lifeline Program

The federal Lifeline program provides low-income consumers with discounted telephone service. In January, the Federal Communications Commission (FCC) approved a comprehensive overhaul of the Lifeline program, including elimination of unnecessary subsidies and duplicative subscriptions, and requiring better proof of eligibility.

Effective June 1, 2012, eligibility requirements for the Lifeline program offered in Massachusetts expanded. The eligibility requirements changed to include, in addition to those already qualified because they participate in certain state benefit programs, those that (1) receive benefits from certain federal programs **OR** (2) meet certain income requirements.

Specifically, participation in one or more of these state or federal programs qualifies individuals for Lifeline:

- Emergency Aid to Elderly, Disabled and Children
- Fuel Assistance (LIHEAP)
- Mass Health or Medicaid
- SNAP
- Transitional Aid to Families with Dependent Children
- SSI (Supplemental Security Income)
- Federal Public Housing Assistance (Section 8)
- National School Lunch Program (free meals program)
- Temporary Assistance for Needy Families



In addition, individuals qualify for Lifeline if they can demonstrate that their household income meets 135% of the Federal Poverty Guidelines.

For more information about Lifeline and the providers that offer Lifeline, you may contact the Department of Telecommunications and Cable Consumer Division by phone at (800) 392-6066 or visit them online at www.mass.gov/dtc.

Upcoming Events

Wednesday, August 29: New Bedford Homeowner Foreclosure Prevention Workshop

This workshop offers a unique opportunity for homeowners to meet one-on-one with their lenders to determine if they qualify for more affordable loans. Multi-lingual housing and credit counselors will also be available to inform all borrowers about additional assistance and resources both the state and the city can provide. **The following lenders will be participating in the workshop at the Whaler Banquet & Conference Center, 500 Hathaway Road: Bank of America, Chase, Citibank, GMAC, Homeward Residential, Ocwen and Wells Fargo.** For more information, contact Jayda Leder-Luis at 617-973-8711 or visit www.mass.gov/foreclosure.

Monday, September 10: Consumer/Shred Day in Worcester

Consumer/Shred Day is an educational initiative by the Office of Consumer Affairs, with the Office and its five agencies bringing consumer information to residents across the state. Consumers are advised to shred their personal financial documents – such as credit card bills, bank statements and expired insurance policies – after the documents are no longer needed. Shredding protects consumers from possible identity theft and shields personal data.

Thursday, September 13: Project Credit Smarts Annual Fall Kick-Off

In its fourth year, Project Credit Smarts reflects the changing nature of college students' financial issues and declining use of credit, and is expanding to its focus to include a wide range of financial services, including student loans. The announcement will take place at UMass Boston. For more information about the Project Credit Smarts program or kick-off, visit our website or follow us on Facebook.

Thursday, September 20: Massachusetts Day at the Big E

Representatives from the Office of Consumer Affairs will celebrate Massachusetts Day at The Big E at the Eastern States Exposition (ESE) in West Springfield. The Big E, which is the 8th largest fair in North America, takes place September 14-30. For more information about The Big E, go to www.thebige.com.

For more information about any of these events call Nicole Sanders O'Toole at (617) 973-8735 or email her at nicole.sanders@state.ma.us.