

# Outlook

Spring 2006  
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NATIONAL CONSUMER LAW CENTER

## Fellowships Honor Brooks

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John G. Brooks at an NCLC Board meeting with staff attorney Jon Sheldon.

“For more than 60 years John Brooks has dedicated himself to legal services and equal justice,” said NCLC Executive Director Willard P. Ogburn in announcing the newly named John G. Brooks Fellowship Program. “There is no one we could better name this

*Continued page 5*

## Mass. Laws Help Soaring Energy Costs, Appliance Efficiency

As energy prices continue to soar this winter, NCLC is playing a key role in securing critical home heating funds for low-income families. In Massachusetts, NCLC drafted several key provisions of an energy bill that was enacted in November 2005. One provision contained an additional \$20 million in state funding for fuel assistance (on average, about an additional \$150 per eligible household).

*Continued page 10*

## NCLC to Train Housing Counselors

NCLC has been awarded a \$300,000 contract to conduct a national series of foreclosure prevention and anti-predatory lending trainings for housing counselors in 2006 and 2007. The trainings, conducted in partnership with NeighborWorks America, are funded by a grant from the U.S. Department of Housing and Urban Development.

Under the grant, NCLC will update and revise its popular courses, *Preserving the American Dream I and II*, that teach housing counselors the nuts

and bolts of foreclosure prevention strategies. NCLC will also co-teach a course to help counselors identify predatory loans and seek help for their clients.

“While the homeownership rate among low-income families is rising, many low-income people are in danger of losing their homes because of an unexpected crisis,” said Odette Williamson, a staff attorney and director of the project. “A disability or illness can push a family over the edge. Other times it’s the loss of a spouse,

emergency property repairs, or unexpected unemployment,” said Williamson.

Williamson pointed to a recent study which showed that of low-income households who became homeowners, only 64 percent remained homeowners after 2 years, compared with 88 percent of high-income homeowners. Over 5 years, only 47 percent remained homeowners, compared with 77 percent of high-income homeowners.

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## Thanks for the Kind Words

We blush when we get notes like these, but we like them so much we'll share them anyway:

"NCLC holds up a part of the sky when it comes to low-income consumer rights...They are far and away the leading legal education and advocacy organization in this field and the conference is a truly unique melting pot where AG attorneys, legal services attorneys and private counsel, often formerly from public or pro bono sector, mix, mingle and generate new concepts and programs for consumer protection." *S.M., Minn.*

"I could not practice law without NCLC. Thank you for your work." *MF, Wis*

"Your new publication is

awesome! ... I use at least one of your resources daily, whether it's *Surviving Debt*, your website, or the utility materials and I can't imagine how I'd do my job with-out those resources." *TL, Mass.*

"...In all sincerity, I could never have done it without the support of NCLC and the NCLC training & materials. I'm just lucky to have found NCLC early in my career;" *RB, Calif*

"Without NCLC I'd probably be driving a cab or working at McDonald's." [we know better - Ed.] *JR, Mass.*

Support like this encourages us, thank you. - Will Ogburn, Executive Director

## Outlook

OUTLOOK, a publication of the National Consumer Law Center, is intended to inform our supporters about the Center's advocacy and fundraising activities.

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"...Irv sets the bar for what we can accomplish if we but try..."

*Diane E. Thompson*



Irv Ackelsberg

Each year the National Consumer Law Center honors the accomplishments of an exceptional consumer attorney who has contributed significantly to the well being of vulnerable consumers. Irv Ackelsberg has distinguished himself in his commitment to low-income consumer advocacy and is a most deserving recipient of the 2005 Vern Countryman Award.

# Congratulations, Irv Ackelsberg

## 2005 Recipient Vern Countryman Award

*If we're known by the company we keep, we could not be more proud or honored to know Irv Ackelsberg. He's one of the best consumer advocates in this country. His passion, vision, and skill inspire us all and help us to be better advocates.*

*We share with you comments from colleagues whose praise rings loud and true:*

"His dedication, energy, and vision are contagious and he has left a mark on consumer law for low-income families across the nation.

"...The most important thing about Irv is not reflected in a long discussion of all his accomplishments: the most important thing about Irv is the joy, love, and passion he brings to his work and shares with the people around him."

*-Catherine Carr, Community Legal Services*

"...There's no one I'd rather see at an industry or regulatory conference than Irv, because his ability to cut through to the heart of the matter to the genuine impact on people's lives and the fundamental morality of the questions, his transparent honesty, integrity, and absolute commitment make him some-

one industry can never undermine, and make his story one they can never counter."

*-Kathleen Keest, former Countryman Award recipient*

"... Irv has been fighting the predatory lenders 'on the ground' every day with a varied and creative collection of tools. His litigation in the Eastern District Bankruptcy Court is legendary; the moratorium on Sheriff's Sales of homes was a master stroke; and his lobbying, authorship of op-ed pieces, and other uses of publicity are always cutting edge..." - *Jean Constantine-Davis, Nina F. Simon, AARP*

"A colleague of his once told me that any client that walks into Irv's office has just won the lottery. Irv brings tenacity and passion to his representation of individual low income homeowners...Irv refuses to believe society's devaluation of our clients, as small, insignificant, and unimportant. Irv takes those clients and values their stories, and almost out of whole cloth makes justice for those clients.

"He has been a mentor to an entire generation of legal services consumer lawyers. He

is the person who reminds us all to see the bigger picture, to think beyond the individual case to see how our work can fit into the bigger picture.

"...His work with coalitions multiplies his work several fold, bringing together the militant activism of ACORN with the marble halls of the state capitol, and everything in between. By working all the forms of advocacy, Irv has been able to get moratoria on foreclosures, studies on foreclosure patterns that change the national debate on predatory lending, and a local loan rescue fund...Whatever work or tactic I think up, Irv has been there before and done it better."

*-Diane E. Thompson, Land of Lincoln*

"He is always available to share his expertise to make consumer law not only understandable, but meaningful for how it can be used to help disadvantaged populations.

"...Irv bridges the gap between community groups, lawyers, researchers and politicians...Irv's presence at a meeting or assistance in a project is invaluable." - *Kirsten E. Keefe, Empire Justice Center*

# Mulligan Joins Partners Council

Dan Mulligan, one of the lead counsel in the First Alliance Mortgage Company litigation, has recently joined NCLC's Partners Council, an advisory board that plays an increasingly important role in NCLC's fundraising efforts.

"We're delighted to welcome Dan as an NCLC Partner," said Bryan Kemnitzer, chairman of Partners. "NCLC is in the middle of its first building campaign and Dan quickly earned his fund-raising stripes on it. He stepped



Dan Mulligan forward early on with a Cornerstone gift from his firm, as well as crucial assistance in reaching out to others on NCLC's behalf."

Mulligan is a partner in the San Francisco firm of Jenkins

& Mulligan. He specializes in complex civil litigation, including state and federal class actions. As one of the lead counsel in the FAMCO litigation involving predatory lending he helped secure a \$75 million settlement for First Alliance borrowers. He also co-counseled a related action against Lehman Brothers.

Jenkins & Mulligan was the 1999 recipient of the American Bar Association's *Pro Bono Publico* award for public service.

# NCLC Trains Housing Counselors to Aid Homeowners in Financial Distress

*Continued from page 1*

While the demand for mortgage default and delinquency counseling and education is higher than ever, many counseling organizations do not have enough trained counselors to satisfy the demand. NCLC's trainings are designed to give counselors the information and techniques they need to help homeowners in financial distress.

"Our workshops are very practical and hands-on. We do a lot of case studies and group exercises to simulate the actual counseling experience" said Williamson. "Counselors will learn how to

evaluate the homeowner's financial situation, maximize their available cash flow for the mortgage, and develop a realistic, sustainable solution within lender guidelines," she said.

The spread of predatory mortgage lending practices has increased the need for counseling agencies to identify mortgage terms that are exploitive or disadvantageous to the homeowner. Several new state anti-predatory lending laws require or recommend counseling before a homeowner can refinance his mortgage into a new high-cost loan. And the new federal bankruptcy law requires counseling before a

consumer can file for bankruptcy relief.

"A major goal of these trainings will be to help counseling agencies to handle the flood of customers that these new mandates will produce. We don't want homeowners diverted to unscrupulous agencies that overcharge and give bad advice," said Williamson.



## NCLC Guide to the 2005 Bankruptcy Act

NCLC's Special Guide to the 2005 Bankruptcy Act with CD-Rom (\$80) serves both as the 2005 Supplement to Consumer Bankruptcy Law and Practice (7th ed. 2004), and as a stand-alone guide for practitioners not owning the Seventh Edition. Written by Henry Sommer, Collier's Editor-in Chief, and John Rao, NCLC's bankruptcy expert, it contains 11 innovative chapters that analyze all changes and their practical import to consumer bankruptcy practice.

The guide and CD-Rom also feature:

- \* Software to complete revised Official Forms, and copies of all new and amended forms
- \* Sample pleadings responding to 2005 changes
- \* Software to compute 21 pre-petition dates
- \* Median income figures by state and means test data
- \* Forms to obtain tax records
- \* New bankruptcy questionnaire and client handout
- \* Redlined version of the Code and Interim Rules
- \* Dedicated web site with up-to-the-minute changes.

To order, contact NCLC publications at NCLC, 77 Summer Street, 10th Floor, Boston MA 02110, 617-542-9595, [publications@nclc.org](mailto:publications@nclc.org), [www.consumerlaw.org](http://www.consumerlaw.org)

# Minority Car Buyers Settle Bias Suit with DaimlerChrysler

Marking another victory for African-American and Hispanic car buyers in the fight against lending discrimination, DaimlerChrysler Services has settled a class action lawsuit over loans made by the auto finance company.

The lawsuit against Daimler-Chrysler charged that African-

American and Hispanic car buyers paid more for credit as a result of its finance charge "markup" policy. For decades, DaimlerChrysler (the successor to Chrysler Financial Company), authorized dealers arranging financing to subjectively increase the interest rate on customers' contracts beyond that justified

by the customers' credit rating. This markup was not disclosed to the consumer. Expert reports submitted to the court concluded that minority auto finance customers of GMAC were marked up more frequently and at significantly greater rates than white customers with comparable credit ratings.



Stuart Rossman

## Consumer Fellowships Honor Brooks

*(Continued from page 1)*

program after than John. The Brooks Fellowships are helping to expand the capacity of legal services programs to promote the welfare of low-income people through the practice of consumer law, and John has long been a national leader and advocate for the rights of those needing legal representation."

The Brooks Fellowship Program,

Board of Director and is a former president of NLADA's board. His commitment to legal representation for the poor has included serving as president of the Greater Boston Legal Services and acting as an effective bridge between the private bar and legal services during his tenure as president of the Boston Bar Association. He was a strong and early advocate for the Legal Services

As part of the settlement, DaimlerChrysler agreed to issue 875,000 pre-approved loans with no dealer mark-ups to African-Americans and Hispanics over the next three years, to impose a 2.5 percent markup cap on loans with terms up to 60 months, and lower caps on extended term loans. Before the case was filed the company had no markup cap limits on any of its consumer auto loans. In addition, DaimlerChrysler Services agreed to contribute \$1.8 million toward programs aimed at educating and assisting consumers, including the NCLC-NLADA John G. Brooks Consumer Law Fellowship Program.

"This settlement is part of our overall effort to reform the auto finance market in order to eliminate discriminatory practices that were pervasive in the industry," said Stuart Rossman, director of litigation at NCLC. "We're also pleased that DaimlerChrysler has agreed to markup caps that will save all car buyers hundreds of millions of dollars each year."

NCLC served as co-counsel in the suit with attorneys Clint Watkins, Michael Terry, Gil Gilmore, Darnley Stewart, and Gary Klein.

"For more than 60 years John Brooks has dedicated himself to legal services and equal justice. There is no one we could better name this program after than John."

*- Willard P. Ogburn*

now in its second year, awards a number of two-year grants to legal service programs to expand or create quality consumer law units. The joint NLADA-NCLC fellowships were made possible by a court settlement in a national class action against General Motors Acceptance Corporation where NCLC, acting as co-counsel, challenged widespread racial discrimination in car financing transactions.

Brooks is a member of NCLC's

Corporation and during the Clinton Administration was appointed to its national Board.

"We expect the Brooks Consumer Law Fellows to engage in a broad array of advocacy," said Ogburn. "Their work could include direct client representation, litigation; and administrative or legislative advocacy on issues like predatory lending, debt collection harassment, or car financing, among many other problems affecting the poor."

## Point Click Contribute

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# NCLC Urges Fed to Curb Credit Card Abuses



In comments to the Federal Reserve Board, NCLC submitted a detailed critique of the nation's lax oversight of credit cards and other "open-end" credit products. NCLC's comments highlighted the myriad schemes used by credit card companies to take advantage of consumers, particularly those who are carrying heavy debt loads or beginning to show signs of financial distress. To curb these abuses, NCLC urged the Fed to strengthen its regulation of credit card transactions

attempting to manage their personal finances wisely, too often find themselves overwhelmed by high finance charges and junk fees," said Carolyn Carter, NCLC's Deputy Director for Advocacy. "Because it is so profitable, card companies are always finding new ways to put their customers on a debt treadmill." Among the most common abusive practices used by creditors, Carter cited penalty rates, universal default (penalties for late payments to any of the consumer's creditors),

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"Because it is so profitable, card companies are always finding new ways to put their customers on a debt treadmill."  
- Carolyn Carter

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and to support a series of specific improvements to federal law.

NCLC's comments cited the case of Ruth Owens, who owed \$1,963 on her credit card to Discover Bank in May 1997. Over the next six years Ms. Owens paid the bank \$3,492, but not one penny of her payments went to reduce her debt. Ms. Owens was charged an assortment of interest and late fees that consumed all of her payments and caused her debt to grow even larger – to \$5,564.

"Even cautious consumers, like Ms. Owens, who are

changes to credit limits, aggressive solicitation, the use of mandatory arbitration clauses, and the ability of credit card lenders to change the terms of an account unilaterally with only 15 days notice.

NCLC's comments to the Federal Reserve Board were submitted with Demos: A Network for Ideas and Action, the National Association of Consumer Advocates, USPIRG, Consumer Federation of America, Consumers Union, the Woodstock Institute, and the Center for Consumer Affairs-University of Wisconsin-Milwaukee, and several other consumer advocates.

# IRS to Revoke Tax-Exempt Status of Credit Counseling Agencies

The Internal Revenue Service recently announced that it plans to revoke the tax-exempt status of more than 30 credit-counseling agencies nationwide. The revocations are the results of 60 audits the IRS has been conducting for over two years.

"We welcome the action taken by the IRS to enforce the rules for proper behavior by nonprofit organizations. Too many consumers have been duped by unscrupulous counseling agencies masquerading as nonprofits," said Deanne Loonin, a staff attorney at NCLC and co-author of *Credit Counseling in Crisis: The Impact on Consumers of Funding Cuts, Higher Fees and Aggressive New Market Entrants* (2003) (with the

Consumer Federation of America).

NCLC's report cited examples of agencies engaging in deceptive business practices and high-pressure tactics, charging excessive fees, and providing inadequate educational services. The report also prompted a number of enforcement actions by state attorneys general and the Federal Trade Commission.

The IRS action comes at a time of rising demand for credit counseling services. Under federal law consumers are now required to take an approved credit-counseling course before they are allowed to file for bankruptcy relief.

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# NCLC Critiques Federal Proposal on Predatory Home Lending

NCLC has issued a point-by-point analysis of the Ney-Kanjorski bill (H.R. 1295) pending in Congress which would replace state laws protecting consumers against predatory lending with new federal standards.

NCLC's analysis concludes that the bill would have devastating consequences for consumers. Not only would it preempt

every state law that affects mortgage lending (including basic contract law, foreclosure law, debt collection laws, and the Uniform Commercial Code), but existing protections

"The floodgates to destructive lending would be wide open." - Alys Cohen

in federal law, under the current Home Ownership and Equity Protection Act, would

be rendered meaningless.

"While the bill has been packaged as consumer-friendly legislation, once you read the details it's clear that it's a

harmful bill," said Alys Cohen a staff attorney in NCLC's Washington D.C. office. "It

would eliminate state protections that have proven effective at curbing predatory lending without putting anything else in their place. The flood gates to destructive lending would be wide open." NCLC is working with other consumer and community organizations to develop policy solutions that truly protect consumers from predatory loans.

## NCLC Investigates Consumer Issues

### RALs Continue to Drain Assets from Working Poor

A new report on refund anticipation loans from NCLC and the Consumer Federation of America found that 12.38 million American taxpayers spent \$1.6 billion on tax refund anticipation loans in 2004, a slight increase from 12.15 million RALs in 2003. RALs are extremely high-cost bank loans secured by the taxpayer's expected refund — refunds that most taxpayers could have in two weeks or less with electronic filing and direct deposit.

According to co-author Chi Chi Wu, RALs target low-income working families claiming the Earned Income Tax Credit, and drain hundreds of millions of dollars from EITC anti-poverty benefits. Over 56 percent of all RAL borrowers are EITC recipients, despite the fact that EITC recipients

only make up 17 percent of taxpayers.

### Foreclosure Rescue Scams Target Homeowners

Rising home equity values and tremendous financial pressures on low- and moderate-income families have combined to make homeowners vulnerable to scam artists going after their equity, according to a new NCLC report, *Dreams Foreclosed: The Rampant Theft of Americans' Homes Through Equity-Stripping Foreclosure 'Rescue' Scams*. "This is a uniquely bad collision of the financial stresses on homeowners with a boatload of bad ways for them to be conned into losing their homes or the equity in them," said NCLC's Steve Tripoli, principal author of the report. "The scam artists pick up notices of mortgage default off the public record and then aggressively market themselves to desperate homeowners as their saviors."

### Report Finds Little Value in Debt Settlement

*An Investigation of Debt Settlement Companies: An Unsettling Business for Consumers* found that very few consumers ever complete a debt settlement program. Written by Deanne Loonin, the report revealed that consumers in debt settlement programs continue to face collection efforts and their debts grow as creditors pile on fees and interest accrues. It is unclear what, if any, professional services most debt settlement companies offer to assist debtors during the time they are saving money for settlement.

Unlike debt management companies, debt settlement companies don't send regular monthly payments to creditors on behalf of the consumer. Instead, these agencies generally maintain a consumer's funds in a separate account, holding the money until the company be-

lieves it can settle the consumer's debts for less than the full amount owed.

### NCLC Documents Abusive Medical Debt Collection

*Unhealthy Pursuits: How the Sick and Vulnerable Are Harmed by Abusive Medical Debt Collection Tactics* surveys debt collection tactics for medical bills, tactics pursued by or in the name of health care providers. It also analyzes the law behind some of these tactics and makes recommendations for reform. According to the report, co-authored by NCLC staff attorney Chi Chi Wu, the failure of health care providers to offer charity care resulted in many who should never have incurred debt in the first place. Care providers suing patients and acting as de facto loan brokers exacerbate the problem.

For more on these and other reports, see our website, [www.NCLC.org](http://www.NCLC.org)

# NCLC Coordinates Foreclosure Prevention Project

In response to a growing foreclosure crisis facing low and moderate income homeowners, NCLC is joining forces with a broadly-based group of counseling agencies and mortgage companies to prevent families from losing their homes to foreclosure. Starting in February 2006, NCLC will coordinate a foreclosure prevention project in the Atlanta area based on the successful model program administered by NCLC in Massachusetts during the 1990s.

“As the amount of total debt, including mortgage debt, carried by homeowners continues to increase, more

people are finding it harder to stay afloat financially,” said Odette Williamson, an NCLC attorney and director of the project. “By providing counseling at a crucial time, we can

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“...one-on-one education and counseling is the most effective way to help homeowners get back on track ...”

- Odette Williamson

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help preserve the biggest asset of families in Atlanta who have fallen behind on their mortgage payments. Our work in Massachusetts proved that one-on-one education and counseling is the most ef-

fective way to help homeowners get back on track and stay on track,” said Williamson.

The Atlanta pilot reflects a profound change in the thinking of the mortgage industry, said Willard P. Ogburn executive director of NCLC. “The industry now recognizes that counseling agencies provide valuable assistance to borrowers that often enable them to successfully reinstate their mortgages,” he said. “This was not true until a few years ago but is now widely accepted. We hope this model can be replicated in other parts of the country.”

Under Williamson’s direction,

NCLC will train, supervise, and manage the work of the housing counselors, and will handle program in-take and case tracking. The participating counseling agencies (Consumer Credit Counseling Services, DeKalb Metro Housing Counseling Center, The Cooperative Resource Center, and Latin American Association) will follow a protocol developed by NCLC that evaluates the homeowner’s financial situation, maximizes their available cash flow for the mortgage, and develops a realistic, sustainable solution.

Participating in the program are mortgage servicers, insurers, and investors.

## NCLC to Confront Rising Credit Card Debt Among Elders

NCLC was awarded a one-year \$100,000 grant from the Retirement Research Foundation to investigate the growing debt problems of older Americans. “Our project will focus on the troubling rise of credit card debt among elders,” said Deanne Loonin, the project director. “Social Security and pension income are not enough to cover daily expenses, and as a result we’re seeing more seniors forced into using credit cards for necessities like groceries, medical care, prescription drugs, and urgent house repairs.”

With funding from Retirement Research, NCLC will publish

an in-depth report on the credit card debt problems faced by elders. It will include interviews with elders victimized by credit card abuses and whose finances were ruined by credit card debts; and discuss counseling services that are available to struggling seniors. Loonin will team with Professor Karen Gross of New York Law School to conduct a series of trainings on debt issues for both elder advocates and elders themselves. The sessions will raise awareness of the risks of over-indebtedness, the types and nature of the credit products that harm the elderly, and strategies for avoiding unscrupulous lenders.

## NCLC Staff Enjoy Diversity Treasure Hunt



NCLC staff pose in front of a historic site in Boston’s North End. As part of the Center’s on-going efforts to promote organizational diversity, NCLC staff enjoyed a treasure hunt for clues to the neighborhood’s racial, ethnic, gender, and religious diversity. Pictured (LtoR) are Bob Hobbs, Stacy Smith, Julia Devanthery, and Di Lu.

## CyPres Support NCLC Advocacy

CyPres awards are an indispensable source of funds for the National Consumer Law Center, especially given the reluctance of private foundations and the government to support certain effective consumer protection strategies. With the help of cy pres, NCLC supports a growing network of consumer lawyers across the country, exposes and challenges abusive practices in the marketplace, and promotes stronger legal protections for consumers.

While most cy pres are used to protect low-income consumer rights, NCLC does, on occasion, receive cy pres for specific initiatives. In 2005 we received three such awards:

**The California Economic Justice Initiative** This initiative was made possible by two cy pres awards from attorney Robert Goldstein. The funds will be used to expand and support the practice of con-

sumer law in California, especially among legal aid organizations.

**The Washington State Consumer Law Initiative** Thanks to two cy pres from attorney Michael Kinkley, NCLC will provide special training, case support, and conference scholarships to consumer law attorneys in Washington State.

**The Massachusetts Economic Justice Initiative** Made possible by a cy pres from attorney Robert Bonsignore, NCLC will safeguard the rights of vulnerable consumers in Massachusetts on a number of issues. NCLC will combat new scams perpetrated by debt buyers and collection attorneys, challenge practices contributing to the dramatic increase in foreclosures and predatory lending, and lessen the unbearable burden of rising home heating and utility bills on many Massachusetts families.

## Ford Funds Mortgage Repository Database

NCLC has received a \$125,000 grant to fund the continued development of a national mortgage repository database. "We are thrilled that the Ford Foundation is supporting the development of this important resource for research on predatory lending," said project director Elizabeth Renuart. "Based on the data we're collecting, researchers will be able to quantify the impact of predatory lending practices on the assets of low-income Americans and the nation's housing market."

NCLC will continue to gather thousands of loan documents from attorneys, housing organizations, and researchers across the nation, collect the most relevant information in a database, and make it available to academics, researchers, advocates, and others who will use the information to

better understand the nature and extent of predatory mortgage lending.

Under the direction of Renuart, the project is being coordinated by loan repository assistant Jen Douglas in collaboration with Professor Patricia McCoy of the University of Connecticut School of Law and Professor Stephen Ross of the University of Connecticut Department of Economics.

If you are interested in submitting loan documents to the database, please contact Douglas in NCLC's Boston office at [jdouglas@NCLC.org](mailto:jdouglas@NCLC.org).

## Telecommunications Advocacy

NCLC has received a \$25,000 grant from the California Consumer Protection Foundation to advocate for the rights of low-income telecommunications consumers in California. Led by staff attorney Olivia Wein, NCLC is joining forces with local advocacy groups to facilitate access to affordable telephone services for low-income, disabled, and limited-English speaking consumers. Under the grant NCLC is also seeking to prevent the Federal Communications Commission from undermining state regulation of telephone consumer protections for wireless and landline customers in California.

# THANK YOU

We extend special thanks and appreciation to those who have recently directed cy pres funds to NCLC:

Anonymous  
Paul Arons  
Stacy Bardo  
Charles H. Barr  
Caryn Becker  
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Robert J. Bonsignore  
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Rob Treinen

# New Grants for Project Stay Connected

The Boston Foundation and the Paul and Phyllis Fireman Charitable Foundation have awarded grants to NCLC in support of Project Stay Connected, a statewide project that seeks to ensure that low-income Massachusetts consumers have access to essential home heating and electricity services.

“Unpaid bills can lead to

termination of utility services, evictions, and homelessness,” said Charlie Harak, director of the project. “Project Stay Connected has trained over 700 service providers in the basic rights of utility customers and provided expert advice and back up support on the tough cases. By helping more families to enroll for utility discounts and obtain home

heating funds, the project will save 10 million dollars or more for families across the Commonwealth,” said Harak. “Support from the Boston and Fireman Foundations will give us additional resources to make sure the neediest families can keep the heat and lights on this winter.”

As part of the project NCLC

## Mass. Helps Soaring Energy Costs, Appliance Efficiency

*Continued from page 1*

Another part of the legislation improved protections for low-income customers who fall behind on their bills, and expanded the number of people who qualify for low-

income discounted utility rates (raising eligibility from 175 percent to 200 percent of the poverty level).

Massachusetts also approved legislation that will raise appliance efficiency standards. The first state to set higher standards for residential boilers and furnaces, Massa-

chusetts will have to seek a waiver from the federal government before it can impose its own higher standard. NCLC drafted portions of the law and worked with a team of other organizations, including MASSPIRG, the Appliance Standards Awareness Project, and the Northeast Energy Efficiency Partnership.

has teamed with five legal services programs in Massachusetts to provide support services across the state: Western Massachusetts Legal Services, New Center for Legal Advocacy, Volunteer Lawyers Project, Greater Boston Legal Services, and Neighborhood Legal Services.



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For information on conference sponsorship opportunities email [scutler@NCLC.org](mailto:scutler@NCLC.org)

## Project Stay Connected

# From Homeless to a Place of Her Own

After suffering a series of devastating setbacks, Mary Smith (not her real name) was determined to get her life back together. She had recently lost her job, couldn't pay her bills, and was eventually forced to move out of her apartment into a Boston homeless shelter. There she stayed for 12 restless months, never able to settle in or get comfortable. When she found another job and could afford a modest monthly rent, it was time, she felt, to move ahead with her life.

Unfortunately for Smith, a major roadblock stood between her and a permanent home: an old bill of \$1,700 for unpaid utilities. Smith had no idea how she was going to pay off the utility company. With nowhere else to turn, she contacted an attorney at Greater Boston Legal Services, a participant in NCLC's Project Stay Connected.

At the same time Smith was getting in touch with GBLS, NCLC was pushing state utility companies to apply their low-income discount rates retroactively as far back as two years.

Several companies agreed and Smith's case was the first to be referred under the new agreement. Thanks to the discount, her bill was cut by \$900.

Even with that utility credit, Smith still had an \$800 balance on her bill. Fortunately, her GBLS attorney knew of a homeless prevention program from which she was able to secure the \$800. Finally freed from the grip of her utility bills, Mary was able to move out of the shelter and into her own apartment.

# NCLC Welcomes New Staff



Charles Delbaum and Carolyn Carter have officially joined NCLC's advocacy staff.

## Carter Oversees NCLC Advocacy

Although long associated with NCLC as Of Counsel and as contributing author or co-author of many of our publications, **Carolyn Carter** has made the relationship official and assumed the title of NCLC Deputy Director for Advocacy.

"NCLC has an exceptional staff of advocates and we

needed an exceptionally capable consumer advocate to coordinate their efforts. Carolyn knows NCLC, she's an expert on consumer law, and she's compassionate about the problems of low-income consumers," said Willard Ogburn, NCLC executive director. "She is the perfect person for the task."

## Administrative Staff Expands

We're also pleased to publicly welcome **Tanya Both** and **Julia Devanthery** to our Boston Office.

Both, a graduate of Vassar College and former NCLC summer intern is our Development Administrative Assistant. Among many assignments, she works on our fund-raising activities, annual conferences, correspondence, grant proposals, and OUTLOOK.

Devanthery is a 2004 graduate of Brown University. As our research assistant she works closely with our advocates on investigative reports, as well as coordinating our conferences and trainings.

Devanthery is looking to law school in the future, with an interest in legal services work.

[www.NCLC.org](http://www.NCLC.org)

## Delbaum Adds to NCLC Litigation Strength

NCLC is expanding its litigation capacity with the addition of **Charles Delbaum** to its Boston staff.

Delbaum, who will be focusing his efforts on class action litigation, comes to us from New Orleans Legal Assistance where he was the Director of Litigation and Advocacy for 13 years. While there, his litigation included predatory lending, utility allowance, Medicaid, voting, housing discrimination, and pauper rights cases.

Delbaum brings with him additional impressive credentials: he supervised the Tulane Law School consumer/ foreclosure clinic, co-authored a chapter on Louisiana Consumer Law for the 2001 and 2005 Louisiana Legal Services Desk books, and presented on consumer and other Louisiana topics at many CLEs.

He was the recipient of the 2000 Louisiana State Bar Association *Pro Bono Publico* Career Service Award.

## NCLC Board Changes



Retiring NCLC Board president **Tony Ching** receives an award for 27 years of service to NCLC on its board. Presenting him with a plaque is **Mike Ferry**, NCLC's newly elected Board president.

NCLC is pleased to welcome **Donna Daley** to its Board of Directors. Daley is also active on the South Middlesex Legal Services Board of Directors.



## Help NCLC Identify the Next Countryman Award Winner

Each year NCLC presents the Vern Countryman Award to an attorney whose special contributions to the practice of consumer law have strengthened and affirmed the rights of low-income Americans.

Since the first Countryman Consumer Law Award was presented in 1990 to Henry J. Sommer for his leadership in promoting the field of consumer law, the Countryman Award quickly became the top honor for consumer attorneys. Winners include some of the most highly regarded consumer advocates in the country.

The award presentation is a highlight of the Awards Luncheon each year at NCLC's Consumer Rights Litigation Conference, this year in Miami, November 10-13.

In 2005 NCLC was pleased to honor Irv Ackelsberg of Philadelphia. (*see page 3*)

### Nominating Process

Nominations may be submitted by anyone familiar with the work of the candidate. If you know of an outstanding attorney who is deserving of this recognition, please email Suzanne Cutler for information on the

nomination process ([Scutler@NCLC.org](mailto:Scutler@NCLC.org)).

Our guidelines are simple: the nominee must have demonstrated excellence in working on low-income consumer or energy issues for at least 10 years; or, recently obtained legal relief through judicial, administrative, or legislative action which benefitted a large number of low-income consumers.

We welcome your help in identifying the next recipient!

[www.nclc.org](http://www.nclc.org)

### Vern Countryman Award Winners

Winners of the Countryman Award include some of the country's most highly regarded consumer advocates:

Irv Ackelsberg  
Gail Hillebrand  
Dan Hedges  
Joanne Faulkner  
Lynn Drysdale  
Richard Rubin  
Kathleen Keest  
Alan Alop  
David Ramp  
Elizabeth Imholz  
Jim Sturdevant  
Pat Sturdevant  
Mike Ferry  
Bill Brennan  
Carolyn Carter  
Margot Saunders  
Henry J. Sommer