

Consumer News & Views

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In this Issue...

- **Toyota Expands Recall Due to Faulty Airbags by Supplier.**
- **ACC Plans 11 New State Consumer Council HQs in 2014-2015.**
- **Fleet Financial Can Help Consumers Save on Auto Loans**
- **ACC Board of Directors Seat Two New Members at June Meeting.**
- **ACC Annual Business Meeting Sets 2014-2015 Goals.**
- **Apply for the 2013 Green CSM Certification Program.**

Toyota Expands Recall Due to Faulty Airbags by Takata Corp. Toyota's primary airbag manufacturer, Takata Corporation, suffered another blow this week after Toyota Motor Corporation recalled nearly 2.3 million vehicles globally, many for the second time, and the Japanese airbag maker warned that further fixes may be needed.

Toyota, the world's largest automaker recalled 1.62 million vehicles outside of Japan that it recalled last year plus 650,000 more in Japan not previously recalled. The additional vehicles brought to more than 7 million the total number of cars equipped with Takata air bags to be recalled worldwide over the last five years.



The latest recall, which includes Corolla and Camry sedans, and Tundra trucks, led U.S. safety regulators at the National Highway Traffic Safety Administration to open an investigation on Wednesday into vehicles equipped with Takata airbags. The company, the world's No. 2 manufacturer of auto safety equipment, said other automakers may have to issue recalls because of problems with tracking potential defects related to air bag inflators that date back over a decade.

Toyota expanded its recall because Takata said it had discovered record-keeping errors at a Mexican plant where potentially faulty air bag inflators were made in 2001 and 2002.

While Toyota's recall covers passenger side air bags, the NHTSA probe documents cited reports of both driver and passenger side air bags not working properly or rupturing.

Toyota's expanded recall comes at a time when General Motors is under intense scrutiny over why it took more than a decade to discover a defective ignition switch linked to at least 13 deaths. In 2013, carmakers including Toyota, Honda Motor Co., Nissan Motor Co. and BMW recalled about 3.6 million vehicles because of flaws in Takata air bag inflators that could cause them to explode in an accident.

The Takata-related recall in 2013 was the largest air bag-related recall in history and came after a series of recalls, accidents and at least two deaths alleged to have been caused by faulty air bags.

NHTSA said it has opened a probe into an estimated 1,092,000 vehicles made by not only Toyota, but also Honda, Nissan, Mazda and Fiat SpA's Chrysler Group after receiving six reports of air bags not deploying properly in the humid climates of Florida and Puerto Rico.

IRS to Publicize Taxpayers Bill of Rights. The Internal Revenue Service wants to read taxpayers their rights. The agency is publicizing a "Bill of Rights" for taxpayers, including the right to quality service, the right to confidentiality and the right to a fair and just tax system, IRS Commissioner John Koskinen announced Tuesday.



Koskinen acknowledged that none of the 10 rights is new. All are buried somewhere in the thick pages of the federal tax code. But going forward, the IRS will post the rights at IRS offices, and include an explanation of each when the agency contacts taxpayers by mail. Koskinen said the list will be included in about 30 million mailings a year.

"We're not creating new rights here," Koskinen said. "We're really trying to compile them in a simple understandable format for taxpayers." Some rights will be limited by budget constraints and the law.



For example, the right to quality service says, "Taxpayers have the right to receive prompt, courteous, and professional assistance in their dealings with the IRS." However, Koskinen said, budget cuts have diminished the agency's ability to answer questions from taxpayers. As for the right to a fair and just tax system, Koskinen said, "We do the best we can with the code we have."

Koskinen took over the top IRS job in January, tasked with stabilizing an agency that had spent much of the past year under siege. Several top officials, including the acting commissioner, were forced to resign last year after revelations that IRS agents had improperly singled-out conservative groups for extra scrutiny when they applied for tax-exempt status.

Koskinen said the new initiative is designed to improve taxpayer confidence in the IRS and the law. He said he got the idea from Nina E. Olson, the National Taxpayer Advocate. Olson has been lobbying for a Taxpayer Bill of Rights since 2007. She runs an independent office within the IRS.

ACC Will Open 11 New State Consumer Council Headquarters in 2014-2015. At a recent meeting with its state consumer council leadership council, the American Consumer Council agreed to establish new headquarters offices in four states in the second half of 2014. These locations will replace the old UPS mail drop locations that had previously served the state consumer councils.



The new state consumer council headquarters will be located in Ann Arbor, MI; Bangor, ME; Baton Rouge, LA; and, Greensboro, NC. Each of these offices will be staffed by ACC and maintain regular business hours for the convenience of ACC members. All standard association business functions will be conducted at these locations as well.

In 2015, as part of ACC's master growth plan, the association will establish physical state consumer council headquarters and regional offices in the following locations: Tulsa, OK; Boise, ID; Reno, NV; Fresno-Bakersfield, CA; Laramie-Cheyenne, WY; Chicago, IL; and, Denver, CO. Each of these offices will be staffed and maintain regular business hours for the convenience of ACC members.

In March, ACC recently opened a Northeastern Pennsylvania office in the Scranton/Wilkes-Barre region. ACC's new Northeastern Pennsylvania regional office is located at 730 Main Street, Suite 101-A, Moosic, PA 18507 in the law office building of Caputo & Mariotti. ACC also established a regional office east of Pittsburgh in East Monroeville to serve new consumer members in the Johnstown-Altoona-Pittsburgh region. That office is located at: 201 Penn Center Boulevard, Suite 400, Pittsburgh, Pennsylvania, 15235.



Consumers may contact ACC at 1-800-544-0414 or info@americanconsumercouncil.org for more information. Each physical ACC office is staffed by a regional director, membership coordinator and educational coordinator.



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American Consumer Council Seats Two New Directors to Serve on Its Board of Directors.

Two members of the American Consumer Council (ACC) Board of Directors were unanimously elected at ACC's annual meeting on Friday, June 13, in San Diego.

The new directors are **Barbara Yager**, an attorney who resides in Madison, Connecticut, and **Edward McHale**, a partner in McHale/Slavin based in West Palm Beach, Florida. Candidates for the ACC Board of Directors completed a written document stating their qualifications and intentions to serve on the Board.



Edward J. McHale, Esq.



Barbara Yager, Esq.



ACC also invited new members to serve on its eight standing committees – Education; Sponsorship; Advocacy & Consumerism; Member Services; Regional & State Councils; Marketing; Regulatory & Government Affairs; and, Awards & Recognition.

Any member who wishes to serve on one of ACC's eight standing committees may do so by sending a statement describing their interest and qualifications. Appointments are announced on a regular basis. Officers of credit unions and regulatory officials and their agents are not eligible for service in keeping with ACC's policies relating to conflicts-of-interest.

ACC Annual Business Meetings Sets 2014-2015 Goals. The American Consumer Council's Board of Directors adopted a new three-year strategic plan for the association which focuses on more financial education programs, expanding its state consumer council headquarters network, strengthening ACC's delivery of programs via social media, and increasing its advocacy role at the federal level.

Three separate committees met at the Hilton hotel in San Diego to put forward recommendations to the ACC Board of Directors during a private discussion at the Board's Annual Meeting.



ACC will expand its offering of financial education programs through a new partnership with Advice IQ, a New York firm that has expertise in numerous areas relating to financial management. ACC also will continue its partnership with a network of credit unions which have hosted various financial literacy programs through ACC's state consumer council chapters. ACC's Board of Directors also approved the two-year expansion of its state consumer council headquarters conversion from UPS mail drops to physical offices in 8 key locations. A related article appears in this issue.

ACC's Board of Directors also approved a program to increase ACC's role in the area of consumer advocacy at the federal level. A Consumer Advocacy Plan (CAP) will be developed during the summer by ACC's staff and presented to the Board at its next meeting.

Green CSM Certification Accepting Applications for 2014 Summer Cycle:

If your company or organization would like to increase its credibility with consumers, you should consider applying for the **Green CSM Certification**. Applications for the 2014 Summer cycle are now being accepted through August 31, 2014.

It's a proven fact that consumers want to do business with companies that are eco-friendly and practice Corporate Social Responsibility (CSR). The process is straight-forward and all applicants are recognized by ACC and the Green USA Institute.

All applicants complete the criteria and submit their responses to ACC's Green Consumer Council for review, assessment and feedback. Program details and the **Green CSM Certification** criteria can be viewed at ACC's website located at: <http://americanconsumercouncil.org/greenc.asp>

