

Consumer News & Views

Published monthly

March, 2017



In this Issue...

- **Ford Explorer Carbon Monoxide Problems Concern Consumers.**
- **New Video for Millennials – Money Saving Tips When Getting Divorced.**
- **Should the IRS Become a Consumer Agency Instead of a Tax Cop?**
- **ACC's Friend of the Consumer Award Recognizes Consumer-Friendly Companies. You Can Be Recognized in 2017!**
- **Apply for the 2017 Green CSM Certification Program.**

Ford Explorer Carbon Monoxide Issues Concern Consumers. U.S. auto-safety regulators are investigating the possibility that exhaust fumes are leaking into certain versions of the Ford Explorer sport-utility vehicle. According to Nathan Bomey of *USA Today*, the National Highway Traffic Safety Administration has launched a probe into the matter in July after receiving 154 complaints of "occupants smelling exhaust odors in the occupant compartment, some of which expressed concerns about exposure to carbon monoxide," according to a government document. The NHTSA investigation covers 2011 to 2015 Explorers.

But, news sources including CBS News has reported that the number of complaints has mushroomed to more than 450, including 2016 and 2017 models. The news organization also reported that Ford recently agreed to settle a class-action lawsuit involving the alleged defect in a case filed in Florida.



"We take the safety of our customers very seriously and will cooperate with NHTSA on this investigation, as we always do," Ford said in a statement. "In rare circumstances, there have been instances where customers detected an exhaust odor in Explorers. While it poses no safety risk, customers can and are encouraged to contact their local Ford dealer to address any concerns."

The automaker has not issued a recall to fix the alleged defect. But the company did issue two "technical service bulletins" in 2012 and 2014, which instructed dealers to attempt to fix the defect when motorists bring in vehicles for other repairs.

The 2012 bulletin instructed dealers to apply sealant and undercoating to various parts. The 2014 bulletin incorporated those fixes and an additional software upgrade.

But "some vehicle owners reported little or no improvement after" those fixes according to NHTSA's investigation document.

CBS reported that Explorer owners describe the exhaust smell as resembling "sulfur or rotten egg," with some worrying "it could be toxic."

ACC New Video Helps Millennials on "Important Tips To Save Money When Getting Divorced."

The American Consumer Council launched the first video in its 2017 financial education video series to help Millennials better manage their finances and get access to financial services. ACC's newest video is entitled "**Important Tips When Getting Divorced.**" It can be viewed at: <https://www.youtube.com/watch?v=GO52scx0YpI>

The series is available online at no cost to credit unions affiliated with the American Consumer Council and features certified financial planner and author, Kimberly Curtis, who is a popular author, speaker and the CEO of *The Wealth Legacy Institute* in Denver, Colorado.

The video series has been well received by Millennials (18-30 year old) and has encouraged nearly 3,000 Millennials to join credit unions since September 1st.



The video topics include: [Paying for the Cost of College](#); [Paying Off Debt While Building Wealth](#); [Home-Buying Mistakes to Avoid](#); [Goals to Reach by Age 30](#); and, [Money Mistakes Everyone Makes](#). **Click on any of the links to watch these videos.**

Thomas Hinton, president of the American Consumer Council, stated "We are finding that Millennials (ages 18-30) are yearning for help in managing money and their debts. This series answers many of their questions and encourages Millennials to seek out the services of credit unions that are skilled at providing a broad range of financial services at very competitive rates."

According to ACC's research, there are over 75 million Millennials in the United States and nearly 52% have not established any financial services relationship with an insured financial institution.

"It's very surprising that Baby Boomer parents have not instilled in their kids some degree of understanding and appreciation for money," Hinton noted. He added, "This is why ACC is filling the gap and helping Millennials establish a relationship with a financial institution and gain some understanding of how money is made, spent and saved."

The American Consumer Council is currently developing a series of new financial education videos for Millennials that will be ready in 2017. ACC expects a strong response to the video series given the number of inquiries ACC has received from its 186,000+ members.

Should the IRS Become a Consumer Agency Instead of a Tax Cop? *This article was written by Howard Gleckman of the Tax Policy Institute.*

In her recent report to Congress, IRS Taxpayer Advocate Nina Olson made the provocative suggestion that her agency completely rethink its mission:

"It should transform itself as a tax agency from one that is designed around nabbing the small percentage of the population that actively evades tax to one that aims first and foremost to meet the needs of the overwhelming majority of

taxpayers who are trying to comply with the tax laws.”



She made the suggestion even as she notes the agency may be headed the other way. She describes one “consultant-driven” internal five-year plan that envisions “replacing traditional IRS employee-to-taxpayer interaction with online services and expanded use of third parties (e.g., software packages, preparers, and tax professionals) to be the taxpayers’ interface with the IRS. It essentially eliminates any IRS-taxpayer personal interaction except in the context of enforcement actions.”

Olson is absolutely right when she says that IRS staffers need to be accessible and knowledgeable enough to answer basic questions or resolve uncomplicated problems. Taxpayer disputes are often due to simple misunderstandings that could be easily and quickly addressed with the help of a human at the agency.

There also are political consequences to the enforcement-only image that worries Olson. The agency already is facing withering fire from Congress and getting little cover from the White House. It is hard to see why lawmakers would go to bat for an agency their constituents only know in the context of disputes and enforcement cases.

In her vision, a taxpayer would be assigned a single staffer who could build trust and help bring a problem to a final resolution. Such a model, which she has been pushing for years, might win the agency some friends at the grassroots that could even filter up to members of Congress.

Imagine a lawmaker hearing from a constituent who has nice things to say about a contact with the IRS. That’s unlikely if the only staffer she’ll ever hear from is an enforcement agent.

But I wonder if the horse Olson worries about has long since left the barn. In her own report, she notes that of 126 million returns filed this past season, 119 million (or nearly 95 percent) were filed electronically—70 million through tax professionals and 49 million that were self-prepared, mostly with commercial software.

As a result, the agency is already relying on intermediaries to represent it to taxpayers. And its reputation, to some degree, is dependent on software and people over which it has little control. Given the importance of e-filing to the cash-strapped IRS and the unwillingness of taxpayers to even attempt to file without some help, the use of intermediaries (either human or electronic) is here to stay.

True, the IRS got 50 million phone calls in the 2015 tax season. And, as Olson reports, only about one-third routed to staffers were ever answered and among those that were, the average time taxpayers first spent on hold was 23 minutes. But many of those calls could be handled far more efficiently through a secure website (commissioner John Koskinen’s dream). For instance, nearly one-third of all calls--16 million--were simply to check on the status of refunds.

There are plenty of concerns about the agency’s ability to keep an interactive website secure. But in the online world of 2015, such online communication seems inevitable.

In a sense, a combination of the tax code’s enormous complexity, new technology, and the IRS’ own aggressive push for e-filing has already taken the agency out of the business of direct contact with taxpayers, except in disputes and enforcement cases.

Olson is right that the agency needs to do a much better job communicating with taxpayers in those limited cases where it still does. Even in an online world, there are still taxpayers who want to speak to an actual person. And the agency’s image as tax cop won’t help it on Capitol Hill. But the days when most taxpayers have direct person-to-person contact with IRS employees for routine, non-confrontational issues, are long over.

ACC's Friend of the Consumer Award Recognizes Outstanding Businesses.

Is your business consumer-friendly? Does your business deserve greater recognition for its service to consumers? If so, you should apply for the American Consumer Council's Friend of the Consumer Award. Now is the time to apply!

Throughout the year, ACC presents its "Friend of the Consumer" Awards. This prestigious award recognizes manufacturers, retailers, and other businesses that produce or sell products in the United States that meet or exceed federally-mandated standards and are touted by consumers as "consumer friendly."

Each year, ACC awards numerous "Friend of the Consumer" Awards to deserving companies and organizations because they have "demonstrated a commitment to American consumers by providing a specific product or service that fosters consumer confidence and market acceptance."



To apply for the "Friend of the Consumer" Award, complete the online application and return it to ACC with the application fee. Applicants will be notified within 5 days of receipt of their application. Thereafter, a panel of independent judges will review your application and make a formal recommendation within 20 days of receipt of your award application.

For more information, visit: <http://www.americanconsumercouncil.org/awards.asp>

Green CSM Certification Accepting Applications for 2017 Winter 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 2016 Fall cycle are now being accepted through March 31, 2017.

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>

