

Consumer News & Views



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Credit Unions Increase Popularity as Banks Stumble Over Debit Card Fees. Bank of America's recent decision to charge a monthly debit card fee of \$5 for debit card users has been met with consumer backlash, boycotts, and the start of a migration away from big banks to community banks and credit unions. The American Consumer Council, which supports a network of more than 30 credit unions across the nation, reports a dramatic upswing in new members who have joined the non-profit consumer organization in an effort to switch their financial relationship from a bank to a credit union.

Thomas Hinton, president of the 116,000 member American Consumer Council, stated, "During the past two weeks ACC has experienced the largest membership growth in its history and the reason is clear. Consumers are both frustrated and fed-up with their poor treatment by banks. We've had over 700 new members join the American Consumer Council during the past 15 days, and most of those consumers wanted our advice on how to switch their allegiance from a large bank to a non-profit credit union that is member-driven and customer-focused."



The reason banks introduced new debit card fees has been blamed on the so-called Durbin Amendment – a provision in the recent financial reform bill that caps the interchange fees banks can charge at 24 cents instead of 44 cents, leading some banks to seek new forms of revenue. Largely hidden from sight, many consumers never realized they were shouldering the cost of these fees in the first place. The move to monthly fees represents a bold step that has angered many bank customers especially at Bank of America.



ABC Federal Credit Union is a federally-chartered financial institution headquartered in Rancocas, New Jersey. It was founded in 1959 as the Burlington County Teachers Federal Credit Union. Our first "deposit" was \$1.50 and we even had to borrow \$52 to buy our bookkeeping books and a hand-cranked adding machine. Our first members had to come to our garage to make deposits and take out loans.

ABC has come a long way since 1959 and now serves members throughout the United States through its branch locations and website. Visit: <http://www.goabco.org> ABCO's primary member base is concentrated in central and southern New Jersey and consists of employees of the following groups and organizations:

- The American Consumer Council
- Boards of Education and teachers in colleges and universities in Atlantic, Burlington, Gloucester, and Cape May counties
- Hospitals and Casino employees
- Burlington County municipalities
- County and state workers
- New Jersey Consumer Council
- Many private employers

Family members can also join and use all ABCO services. Also, more and more businesses are offering ABCO membership as a benefit. ABCO membership is for life – even if a member moves or changes jobs – once a member, always a member! Join now!

Contact ABCO FCU at: 1-800-225-1859 or visit: <http://www.goabco.org/contact.cfm>

To become a member of ABCO Federal Credit Union and take advantage of their low loans and outstanding customer service, please click on their website link at: <http://www.goabco.org/>

*The American Consumer Council and the
New Jersey Consumer Council are proud to have
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Consumer Spending Up Slightly, But Personal Income Drops. Consumers spent slightly more in September, but they earned less for the first time in nearly two years according to the U.S. Department of Commerce. The new data on spending and incomes suggest Americans tapped their savings to cope with higher gas prices and a weaker economy.

The Commerce Department says consumer spending rose 0.2% in August after a revised 0.7% increase in July. Incomes fell 0.1%. That's the poorest showing since a similar 0.1% drop in October 2009.

Also, Americans saved less money. The savings rate fell to the lowest level since late 2009. A decline in income growth could slow the economy, if it causes households to cut back on spending. Consumer spending accounts for 70% of economic activity.

The economy grew at an annual rate of just 0.9% in the first six months of the year, the slowest growth since the recession officially ended more than two years ago.

Thomas Hinton, president of the 116,000 member American Consumer Council said, "We continue to see band-aid solutions being proposed to deal with major consumer concerns such as jobs, under-water mortgages and the rising costs of just living day-to-day. This is very frustrating to most Americans and I expect we'll see more protests from the 99% who are fed-up with the status quo and major changes come Election Day."



Economists expect only slightly better growth in the second half of this year, based on expectations that consumers will spend more. Some are predicting growth of around 2% in the second half of the year. That level of growth would ease recession fears, but it's not enough to lower the unemployment rate, which was 9.2% in August.

Consumer confidence stayed weak in September after the economy experienced a number of shocks this summer. The Conference Board's Consumer Confidence Index™ now stands at 45.4 (1985=100), up slightly from 45.2 in August. Employers have limited hiring adding very few jobs September.

2011 Green CSM Certification Accepting Applications for Fall 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 2011 fall cycle are now being accepted through November 30, 2011.

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: www.americanconsumercouncil.org/green



For more information, please call ACC at 1-800-544-0414 or visit ACC's website by [clicking here](#).

To become a member of the American Consumer Council, visit us at: www.americanconsumercouncil.org