



New York State Comptroller Thomas P. DiNapoli

Your Money New York

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INSIDE THIS ISSUE

- 1 Message from Comptroller DiNapoli
- 2 Spotlight on Credit Card Scams
- 2 New Credit Card Regulations
- 3 Lost Your Job? Four Important Steps
- 4 Tips to Save Money on Fees
- 4 Resource Guide

YOUR MONEY ALERT!

New York State has over **\$9 billion** in unclaimed funds including forgotten utility deposits, stocks and bonds, insurance and other payments, and bank accounts.

Visit www.osc.state.ny.us to see if Comptroller DiNapoli is holding money for you.

Message from Comptroller DiNapoli

Happy New Year!

While it is not an easy year for many New York families, it's important to use the lessons of this past year to make changes that will benefit us now and in the future when the economy recovers.

One such change is to minimize the amount of fees we pay. By some estimates, Americans pay more than \$200 billion in financial fees each year: from two-dollar automatic teller machine fees, to checking account fees, to maintenance fees on our mutual funds and IRA accounts. These fees add up quickly but many of them can be avoided by shopping around for lower-cost options or making simple changes in our behavior (like only using network ATMs and monitoring account balances).

Another change is to make a commitment to understand the products and services that we're buying better. This past year has been filled with unfortunate stories of families who were unaware their mortgage rates would reset or their credit card interest rates could go up without warning. Nobody wants to read pages upon pages of fine print, but until mandatory disclosures are made more reasonable and user-friendly (something I will continue to push for in 2009), we must be more proactive in understanding the terms of what we buy.

The New Year is a time to look toward the future with a sense of optimism. Resolutions come and go, but when it comes to our finances, we need to be committed to making lasting change. Every dime counts, in both good and bad economic times. I wish everyone economic prosperity in 2009, but more importantly, I hope the lessons of 2008 help us make smart changes in our personal finance strategies that will last a lifetime.

Sincerely,

Thomas P. DiNapoli
State Comptroller



What if you are a victim of a credit card scam or theft?

If you think you have been scammed, take these steps immediately:

- 1. Contact your credit card company.** The company will put a hold on your account to prevent fraudulent charges.
- 2. Request a copy of your credit report.** Look for suspicious or unfamiliar activity. Dispute these items with the reporting agency.
- 3. File a complaint with the Federal Trade Commission,** which works to prevent fraud and protect consumers. Call 1-877-FTC-HELP (1-877-382-4357) or file a complaint online using the link provided in the Resource Guide on page 4.

Spotlight on Credit Card Scams

Consumers are becoming increasingly aware of the threat of identity theft and are taking important steps to lower their chances of becoming a victim. These steps include safeguarding personal information and documents, monitoring bills and credit reports, and using software to be safe on the Internet. However, more sophisticated scams are being used to trick even the most careful consumers. These can be avoided and your risk minimized, if you remember to:

- 1. Never give out personal information to strangers.** Be extremely cautious when dealing with *any* unsolicited e-mails or phone calls that request personal information, such as your social security number or birth date.

One scam that may trick you into giving out enough information for an identity thief to damage your finances is: you get a call saying you have been approved for a credit card with a high limit and low interest rate. All they need to process your new account is your name, social security number, address, phone number and income. Protect yourself – assume that this is not a legitimate offer and don't give out any information. Request a phone number and name, but don't be surprised if the caller hangs up on you.

- 2. Never give out financial information to strangers.** This includes credit card numbers, banking information or your income. Requests for this type of information should raise red flags. If the caller claims to be from a company you deal with, you should take a name and phone number, make sure it matches the contact information you have for that company, and call the company to verify the initial call.

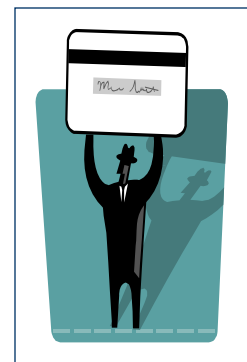
Another credit card scam works like this: you receive a recorded phone call that says "Your account has been suspended due to unusual activity," and may provide the name of a credit card or bank. You are then instructed to call a number provided. If you call the number, it connects you to an automated system which prompts you to input your credit card information to reactivate your account, including card number, expiration and PIN. This provides the scammer with all that is needed to use your credit card to run up thousands of dollars in unauthorized charges.

Caution is the key. Lost and stolen credit cards are still the most common ways credit card crimes are committed. Keep your cards well guarded, never give out the three digit security code on the back of the card unless you know who you are giving it to, and monitor your statements closely. Once you report a lost or stolen card, you are responsible for a maximum of \$50 in fraudulent charges.

New Credit Card Regulations

On December 18, 2008, federal regulators adopted new rules for the credit card industry intended to prohibit unfair credit card practices and protect consumers. Most of the adopted rules were proposed in May of 2008 by the Federal Reserve and received the highest number of public comments ever. These rules take effect in July 2010 and prohibit credit card companies from raising interest rates on pre-existing balances, unless the rate was promotional or variable, or if the minimum payment was over 30 days late.

The new rules also: prohibit banks from imposing interest charges using certain billing methods which inflate finance charges; require that consumers receive a reasonable amount of time to make their credit card payments; and prohibit the use of payment allocation methods that unfairly maximize interest charges. The new rules also include protections for consumers that use overdraft services offered by their bank.



Lost Your Job? Four Important Steps

More than 11 million Americans are currently out of work and the national unemployment rate is 7.2 percent and climbing. If you or a family member finds yourself facing the financial challenge of losing a job, consider following these important steps:

1. Do not panic. Keep the lines of communication open with family members and friends. Identify what difficult choices might be necessary to help you deal with this temporary financial setback. Put the word out that you are in the job market and follow all leads. Try to negotiate a severance package with your employer, including pay, job search assistance and other benefit extensions. Focus on developing short and long term plans for meeting expenses, and take advantage of available resources. You may be eligible for State assistance programs to help meet your family's needs. Visit www.mybenefits.ny.gov/selfservice for more information.

2. File a claim for unemployment insurance benefits. Most workers are covered by unemployment insurance, which is a benefit paid by employers. This provides temporary income for eligible workers who become unemployed through no fault of their own and who are willing and able to work. You earned this benefit while you were working, so you should not hesitate to use it to help meet expenses as you look for a new job. Eligibility is determined based on your work and wages.

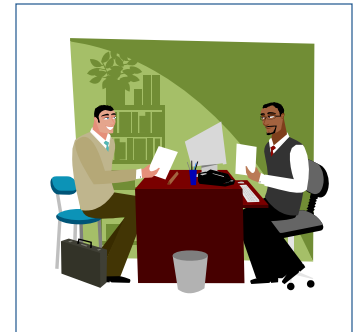
It is important that you file your unemployment insurance claim as soon as possible – ideally as soon as you find out that you have become totally or partially unemployed. This is important because your first week is unpaid, and any delay may cost you benefits. The New York State Department of Labor provides guidance on how to apply. Visit www.labor.state.ny.us/ui/ui_index.shtm or call 1-888-209-8124.

3. Extend your health insurance coverage. Remember to take good care of your health. If you were covered under your employer's group health insurance plan, the federal Comprehensive Omnibus Budget Resolution Act (COBRA) may allow you to continue your health insurance for up to 18 months after you lose your job. Your employer must inform you of your right to extend your health coverage, and you have a limited timeframe to decide to do so. You may have to pay premiums more expensive than before, but it gives you time to find other insurance. Visit www.ins.state.ny.us/faqs/faqs_cobra.htm to learn more.

An alternative to extending your existing health insurance under COBRA is New York State's HealthyNY Program, which provides low-cost health insurance to eligible individuals. HealthyNY may provide fewer benefits but might be a lower cost option than extending your existing coverage under COBRA. You can visit www.ins.state.ny.us/website2/hny/english/hny.htm or call 1-866-HEALTHY NY (1-866-432-5849) for more information on this and other programs.

4. Organize your job search. Update your resume to highlight your strengths and experience and reach out to contacts that may be willing to provide letters of recommendation and serve as references. Use the internet or your local library to research effective interviewing and negotiating techniques. Update and expand your skill sets. Start exploring employment opportunities: use job search engines like www.labor.state.ny.us/careerservices/findajob/FindingAJobIndex.shtm available through the New York State Department of Labor, newspapers and other resources.

Most importantly, try to be positive, be persistent and be patient. This is an extremely difficult job market, but the best job you will ever have may be out there waiting for you.



Need Help Finding Your New Job?

The U.S. Department of Labor has a web site, www.doleta.gov/jobseekers/find_job.cfm, which provides free resources to help find a new job including:

- **State job banks:** job openings in your area or in other states where you might want to relocate.
- **Private-sector job banks:** links to several national private-sector job banks and portals.
- **Veterans job banks:** links to assistance for veterans seeking civilian employment.
- **One-Stop Career Centers:** centers near you that offer in-person jobseeker services.
- **Toll-Free Help Line:** provides information in over 140 languages about workforce program services for workers and employers. Call 1-877-US2-JOBS, TTY: 1-877-889-5627.

Tips to Save Money on Fees

One way to keep more money in your pocket is to minimize what you pay in administrative and service fees. In particular, financial services fees vary significantly, and a little effort could translate into hundreds of dollars in savings each year.

Checking and Savings Accounts. Switch to a free checking account or one without a minimum balance requirement. Request a list of fees that are charged on your accounts, including ATM and debit card fees, and comparison shop. Use the telephone, newspaper, and Internet to compare rates and fees offered by different financial institutions. These rates can vary widely with a direct effect on your interest earnings.

Online banking may provide opportunities to streamline your finances, but make sure you safeguard your accounts. You may also be able to avoid late fees and other charges using automatic payments.

Automated Teller Machines (ATMs). Shop around for a bank that doesn't charge ATM fees, which can add up quickly. Avoid using ATMs not associated with your financial institution – you may end up paying fees both to your bank and the bank that owns the ATM you are using. You may be able to use your debit card to get cash back fee-free at certain stores.



Credit Cards. Look for credit cards that don't charge annual fees. Be aware that credit cards with rebates, points or miles may have higher rates or fees. Send your payments on time. This will help avoid late payment fees and interest rate increases on your credit cards. Late payments on one card can increase fees and interest rates on other cards.

Avoid using your credit card to get cash – either through convenience checks or at cash machines. These are typically treated as cash advances and charged three percent on the withdrawal, in addition to the long term interest charges that may start to accrue immediately.

The key to saving money is to shop around. Make sure to include all types of financial institutions in your comparisons, including banks and credit unions. Every dime counts during this economic downturn, and reducing what you pay in fees and charges for financial services may translate into real savings for you.

Resource Guide

You can learn more about the topics discussed in this newsletter from the following web sites.

Credit Cards:

How can I get my free annual credit report?

www.annualcreditreport.com/cra/index.jsp

Where do I file a complaint online with the FTC?

www.ftc.gov/ftc/contact.shtm

Where can I learn about the new credit card regulations?

www.federalreserve.gov/newsevents/press/bcreg/20081218a.htm

Where to Turn if You Lose Your Job:

How do I file for unemployment?

www.labor.state.ny.us/ui/ui_index.shtm

Where can I search for a new job?

www.labor.state.ny.us/careerservices/findajob/FindingAJobIndex.shtm

Ways to Save Money:

Where can I learn about more ways to save money?

www.ftc.gov/bcp/edu/pubs/consumer/general/gen14.shtm

If you would like to be added to our mailing list for future editions of this newsletter, or if you have any comments or suggestions for future topics to be addressed, please let us know!

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