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ANNUAL MEETING

National Association of Consumer Advocates

Friday, October 26 | Denver, CO

AGENDA

Welcome

Leslie Bailey and Dave Philipps, *Co-Chairs*

NACA Moving Forward

Management and Financial Report

Dave Philipps, *Co-Chair*

Brian Bromberg, *Treasurer*

Board Elections

Leslie Bailey, *Co-Chair*

Presentation of Awards

Ira Rheingold, *Executive Director*

Open Discussion

1 Letter from the Executive Director

3 Report to Members

4 Audited Statement of Activities

2 A Round of Applause

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Letter from the Executive Director

"God, Grant me the serenity to accept the things I cannot change, the courage to change the things I can, and the wisdom to know the difference." *Reinhold Niebuhr*

Dear Colleagues:

As a consumer advocate working in Washington, DC, I found 2018 to be quite the challenge. Faced with an incredibly hostile Administration and a Congress hell-bent on protecting the worst players in the financial services industry, it was often hard not to feel despondent about the state of consumer protection and economic justice in the United States. However, whenever that feeling of despair began to wave over me, I looked to the Neibuhr quote above to remind myself and others of all the important work we can and must do, despite the obstacles placed before us.

We might not be able to change the Administration's hostility to consumer justice, but we sure can fight to prevent them from issuing rules and regulations that damage our cause. We

might not be able to pass pro-consumer legislation with the current adversarial Congress in place, but we can certainly begin to lay the groundwork for policy victories when the current tide shifts. And we certainly can focus inward, taking a clear and serious look at who we are as an organization and how we need to change to better serve our members, to bring more attorneys into our community and to make sure that anyone who wants to be a consumer protection attorney has all the tools they need to succeed.

And that's what we have been doing and will continue to do in the coming year. On the policy front, we have been planning for a full-fledged campaign—using all available tools—to change the law on the taxation of consumer attorney fees. Despite last year's terrible defeat on forced arbitration, we are preparing a long-term plan to change the law and will be ready from day one when we have a Congress ready to take the issue up again.

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Internally, hopefully you have begun to see and feel the changes we are making at your organization. From our application process, to our listservs, we want everyone who wants to practice consumer law to feel welcomed into our community. We especially want new consumer attorneys to see NACA as an organization that provides all the support they need to succeed. To that end, we've created a New to Consumer Law working group to guide us in our efforts, and we will be introducing specially targeted trainings for inexperienced attorneys—including web-based “boot camps” that will create a strong foundation for their consumer law work.

On the education front, we are also listening to our more experienced members and will be introducing targeted advanced trainings that provide the practical and more in-depth knowledge that you're looking for. Further, we are constantly adapting our trainings to make them more useful for your consumer law practice, and we hope that you will continue to see the fruits of that effort at next year's FCRA conference and at the new multi-subject event we are planning for spring 2020.

To grow a larger community of consumer advocates, we will soon be introducing NACA chapters at law schools in hope that we help build an easier career path for students who want to be consumer lawyers. To build closer bonds between all of our members, we are beginning a Public Private Partnership Program that we hope will build strong community networks between legal aid and private consumer attorneys. And very soon, to help our organization and our members create real connections with the consumers we all serve, we will be introducing a Client Engagement Campaign. So stay tuned.

There is no denying that times are tough for consumers and consumer advocates. But together, as long as we stay focused on the things we can change, there is much we can accomplish!

Sincerely,



Ira Rheingold
Executive Director

A Round of Applause

2018 AWARD WINNERS

Media Award

Lawrence Mower, *Tampa Bay Times* and *Miami Herald*

Advocate of the Year

Jim Kowalski, *Jacksonville Legal Aid, Jacksonville, FL*

Attorney of the Year

Mark Mailman, *Francis & Mailman, P.C.*

MEMBERS MAKING A DIFFERENCE

A large part of NACA's strength comes from those members who go above and beyond to make a difference in the financial position of our organization. We would like to thank the following individuals for their generous support of our association.

2017 CY PRES DONORS

Scott Borison and Phillip Robinson

Pamela Car, William Reinbrecht, and O. Randolph Bragg

E. Michelle Drake, John

Albanese, and Anna Prakash

Robert Murphy

Steven Skalet and Cyrus Mehri

2018 CY PRES DONORS

Leonard Bennett

O. Randolph Bragg

Kristi Kelly

Robert Murphy

Janet Varnell and Brian Warwick

2017-2018

MEMBERSHIP YEAR

Platinum Members

Leonard Bennett

Michael Donovan

Gold Members

Seth Lesser

Michael Malakoff

David Philipps

Mary Philipps

Silver Members

Alexander Burke

James Kowalski

John Murray

James Pietz

Taras Rudnitsky

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Phillip Robinson

Hal Rosner

Craig Rothburd

Daniel Schlanger

Rebecca Schore

James Shedden

Harry Shulman

Robert Sola

James Sturdevant

Ariana Tadler

Steven Taterka

T. A. Taylor-Hunt

Rob Treinen

Anthony Valentine

If you are ready and able to take your membership to the next level, talk to Leslie Taylor (Leslie@consumeradvocates.org) or Lisa Myers (Lisa@consumeradvocates.org) about increasing your membership to one of these higher levels.



Report to Members

A YEAR IN REVIEW:

This has been an exciting year for NACA membership. Despite a slight downturn in the number of members for the 2017–2018 year, it was a year of foundational growth for the association. The membership expansion project is fully underway. The revised membership requirements are clearer, and the application process has been simplified and streamlined, making it more welcoming to new potential members.

The changes from this effort can be seen throughout the NACA website, in our printed materials, and in the way we are welcoming, onboarding, and informing our new members. As part of the initiative, NACA developed a formal Member Code of Conduct to which all members agree to abide. Renewing members were asked to sign (or check the box on the website) the pledge. This ensures that all members are on the same page in terms of expectations and in what we as a community feel is vital.

NACA members have engaged with the association this year in increasing numbers. More people are using our listservs to share knowledge and to network. New resources are being added to the community libraries every day.

The association would not be able to serve the membership without the dedication and the time spent by the many volunteers who work on national committees, conferences, legislative issues, and the listservs. A very special thank you to our state chairs who are vetting membership candidates and liaising with NACA and their state members.

NACA continues to look at ways to innovate how it educates its members. This was seen at the 2018 Auto Fraud conference in Las Vegas. Instead of just having people listen to panels, attendees also spent more time learning from each other in round table discussions and other participatory activities.

LEGISLATIVE & POLICY DEVELOPMENTS

As we anticipated, 2018 has been a year to vigorously defend consumer protection policies and practices in Washington, D.C. For NACA, it has also been a year for planning and growth of our advocacy and public outreach efforts.

The Consumer Financial Protection Bureau (CFPB), the federal agency created by the Dodd-Frank Wall Street Reform and Consumer Protection Act after the 2008 financial crisis, is a

symbol of the drastic change in how consumer protection has been regarded in Washington over the last two years. After CFPB's first director resigned in November 2017 and the agency was taken over by an acting director soon after, the bureau's work compared to its previous six years as a champion for consumers has deteriorated. The bureau's new leadership has taken steps to weaken the agency's enforcement actions against unlawful business conduct, undermine its public complaint intake system, and dismantle its consumer advisory boards, among other disruptive activities. Meanwhile, the U.S. Senate is considering a nominee for CFPB director who has no experience in consumer protection or financial services.

NACA, separately, and jointly with organizational allies, responded to bureau-related actions through formal written responses to agency and congressional actions, lobbying, editorial pieces, and other activities to advocate for a bureau that will carry out its mission to protect consumers in the financial marketplace. In addition, a number of NACA member leaders (state chairs) became actively involved in defending the bureau's mission. State chairs across the country attended and participated in CFPB-hosted roundtables and forums held in their respective states. There, NACA state chairs advocated before bureau officials urging vigorous enforcement of consumer protection laws and support for the CFPB's public complaint database, among other issues. NACA and its members will continue to fight to preserve the CFPB's ability to do its job with integrity, in 2019 and beyond.

Among the disappointing results this year was Congress' passage of the "Economic Growth, Regulatory Relief, and Consumer Protection Act," a bill that loosened bank regulations, including protections in mortgage lending. NACA joined organizational partners in advocating against the proposal, but the momentum in Washington in favor of its passage was difficult to overcome.

NACA has also been working to find ways to resolve the ongoing issue of taxing clients for attorneys' fees received in consumer cases. We anticipate that the new tax law, which becomes effective in 2019, will further burden clients and create an unnecessary obstacle to the enforcement of consumer laws. NACA recently issued a white paper to inform organizational partners and members of Congress about the tax law's impact on consumer protection and ordinary people *continued on page 4*

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who are harmed by bad business practices.

In line with our strategic plan, we are planning a campaign to continue our advocacy on, and to spread awareness of, our policy issues on forced arbitration, predatory lending, and access to justice. To complement our policy advocacy, we are developing a client/consumer outreach campaign to appeal to individuals interested in engaging on these issues. We are also organizing with outside partners to formally connect with law students and law professors. Continued planning and implementation of our expanded advocacy and outreach will continue into 2019.

LOOKING AHEAD TO 2019 AND BEYOND

NACA's mission is to promote justice for all consumers by maintaining a forum for communication, networking, and information sharing among consumer advocates across the country, and by serving as a voice for consumers in the ongoing struggle to curb unfair or abusive business practices that harm consumers. We do this through the combined efforts

of the board, member leaders, and staff.

Over the next year, these are some of the planned activities:

- launch the Public Private Partnership effort;
- create new opportunities to work with law schools to develop new consumer lawyers;
- execute better communications infrastructure and planning to ensure the right messages and the right number of messages reach the right members;
- revamp the current model for biannual topic-specific conferences into a larger multi-track event with additional learning opportunities for intermediate and advanced members; and
- start an advocacy and education effort aimed at member clients and the general public.

Statement of Activities

	2017	2016	2015
INCOME			
Membership Dues	\$405,409	\$396,515	\$389,190
Conference & Trainings	\$185,694	\$107,134	\$127,339
Cy Pres	\$104,622*	\$237,168*	\$1,078,626
Donations	\$56,747	\$19,860	\$43,263
Other	\$7,634	\$10,806	\$13,106
Total	\$727,144	\$578,997	\$1,651,524
*This amount includes the cy pres donated to NACA's 501(c)3			
EXPENSES			
Membership	\$238,804	\$264,073	\$254,537
Conferences & Trainings	\$250,363	\$218,519	\$187,132
Advocacy	\$64,665	\$149,741	\$125,344
Management & General	\$352,772	\$378,228	\$390,238
Other	\$29,858	\$24,754	\$63,128
Total	\$936,462	\$1,035,315	\$1,020,379
Net Income	(\$209,318)	(\$456,318)	\$631,145

For Period Ending June 18

Income \$346,942 Expenses \$454,527 Net (\$107,585)