



# New Yorkers Harmed By Debt Collection Abuses Speak Out

*Statewide Coalition Urges Legislature to Curb Rampant Industry Abuses*

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ALBANY, N.Y., June 16 /PRNewswire-USNewswire/ -- New Yorkers targeted by abusive debt collectors, along with advocates from the New Yorkers for Responsible Lending coalition, are pressing the NYS Legislature today to pass the Consumer Credit Fairness Act.

The Act (S.4398-A, A.7558-A), introduced by Senator Eric Schneiderman and Assemblymember Helene Weinstein, would prevent debt buyers – which buy old debts for pennies on the dollar – from routinely filing meritless lawsuits and getting judgments on invalid debts. Unfortunately, the banks and debt collectors are lobbying elected officials not to pass the bill.

"These debt buyer lawsuits are especially abusive because New Yorkers often receive no notice that they were sued until after judgments have already been entered against them," said Robert Martin, Associate Director of DC 37 Municipal Employees Legal Services. "Debt buyers wreak havoc on people's lives by using these judgments to freeze people's bank accounts and garnish their wages."

Monica Williams, a 61-year-old, disabled Brooklyn resident, did not even find out that she had been sued until a debt buyer froze her bank account. "My rent check bounced, and I had to borrow money from my son to pay my rent, food, and utilities. They sued me for far more money than I ever owed, and I had no chance to fight it. What happened to me should not happen to anyone. There needs to be a law to prevent these abuses."

"Every year, debt buyers bring hundreds of thousands of debt collection lawsuits against New Yorkers. Many of these lawsuits should not be brought in the first place. Debt buyers regularly file frivolous cases even when they have no proof that the people they're suing actually owe the money," said Susan Shin, Staff Attorney at NEDAP.

Lloyd Greenspan, 51, of Manhattan, fell behind on his credit cards when he lost his job after 9/11. Years later, he was sued by a debt buyer. "I had never heard of the company before and did not know what the debt was for. When I asked them for basic information about the debt, they could not give me a single piece of paper. I don't think companies should be able to sue New Yorkers without being able to explain what they are suing them for."

"The Consumer Credit Fairness Act would close gaps in existing laws that allow the worst actors to reap huge profits from abusive and illegal debt collection practices," said Carolyn Coffey, Senior Staff Attorney at MFY Legal Services. "The Legislature must act now to end these practices."

"This bill will protect low-income, elderly, disabled, and other New Yorkers from unscrupulous debt collection practices," said Lois Aronstein, AARP NY State Director. "We call on the Senate and Assembly to stand up to the banking and debt collector lobbyists and pass this critical legislation before the end of the session."

SOURCE AARP New York State

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