



# ***NEW YORKERS FOR RESPONSIBLE LENDING***

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## **PRESS STATEMENT**

**For immediate release:**

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## **STATE COALITION PRAISES ATTORNEY GENERAL CUOMO'S DECISIVE ACTION AGAINST ABUSIVE DEBT COLLECTION**

### **Lawsuit Highlights Urgent Need for Passage of Consumer Credit Fairness Act**

New Yorkers for Responsible Lending (NYRL), a statewide coalition of 147 groups, today praised Attorney General Cuomo for taking strong action against abusive debt collectors. The Attorney General last week filed a lawsuit against 37 debt collection companies for improperly obtaining 100,000 default judgments against New Yorkers, by failing to notify them that they were being sued.

Coalition members said that the Attorney General's action underscores the dire need for the Senate to pass the Consumer Credit Fairness Act (S.4398A). Passed by the NYS Assembly in June 2009, the bill would ensure that more New Yorkers receive actual notice of debt collection lawsuits and are able to raise a challenge when they are not given proper notice.

"This failure to provide notice is part of a much larger pattern of abuse by debt buyers, companies that buy old debts for pennies on the dollar and then bring hundreds of thousands of 'junk' debt collection lawsuits against low and moderate income New Yorkers every year," said Susan Shin, Staff Attorney at NEDAP.

"Attorney General Cuomo has demonstrated leadership and commitment to helping people who find themselves in tough times in this economy," said Lois Aronstein, AARP New York State Director. "We now look to the Senate to take action and pass the Consumer Credit Fairness Act, which will ensure that New Yorkers have consumer protections in debt collection proceedings."

"While Attorney General Cuomo's lawsuit strikes a critical blow against abusive debt collection practices, the egregious practices that he has uncovered are just the tip of the iceberg," said Anamaria Segura, Staff Attorney at MFY Legal Services. "These practices are systematic and must be stopped by strong legislative action."

"Abusive debt collection practices will continue to harm those New Yorkers least able to afford an attorney, many of whom are elderly and disabled, if the Senate does not pass this critical legislation," said Peter Dellinger, Senior Attorney at the Empire Justice Center in Rochester.

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New Yorkers for Responsible Lending (NYRL) is a statewide coalition established in 2000 to promote access to fair and affordable financial services for all New Yorkers and their communities. For more information, go to [nedap.org/nyrl.html](http://nedap.org/nyrl.html).