

Report by Andrea Vasquez, New York Women's Bar Association Foundation Fellow at the Feerick Center

From September of 2010 to May of 2011, during my second year of law school, I served as a New York Women's Bar Association Foundation Fellow at Fordham Law School's Feerick Center for Social Justice. During the fellowship, my co-fellow, Donella Green, and I had the opportunity to work primarily on the Feerick Center's Domestic Violence and Consumer Law Project. Through our work, we both learned about consumer debt issues in New York (and across the country) and the critical importance of economic stability for domestic violence survivors.

In New York City, debt collectors filed over 200,000 cases in 2010¹. A majority of the consumer debt cases are not brought by original creditors, but by third-party debt buyers.² Debt buyers purchase portfolios of debt from original creditors for pennies on the dollar and attempt to collect debts in a variety of ways, ranging from telephone calls to lawsuits.³ In 2010, nearly three in five or 58% of these lawsuits resulted in default judgments because the person sued did not appear in court.⁴ "Sewer service" – the practice of failing to serve court papers and filing false affidavits – often contributes to this shocking default rate. Of those consumers who do receive notice of their cases, most do not appear with legal representation. Court statistics show that only about 1% of people sued by creditors have legal counsel.⁵

I. CLARO

The Civil Legal Advice and Resource Office ("CLARO") is currently one of the programs attempting to address the significant gap in legal services for New Yorkers experiencing debt collection. CLARO is a limited, legal advice project for unrepresented debtor-defendants and operates under the auspices of the New York State Courts Access to Justice Program in the New York City Civil Courts in all five boroughs – the Bronx, Brooklyn, Manhattan, Queens and Staten Island. The Feerick Center for Social Justice co-sponsors the Bronx and Manhattan CLARO programs and helps support Staten Island CLARO. All of the CLARO Programs involve collaborations among the courts, bar associations, academic institutions, and legal services providers. For example, the Staten Island CLARO Program is co-sponsored by the Richmond County Bar Association, the Staten Island Women's Bar Association, and Wagner College.

Volunteer attorneys at CLARO respond to the needs of unrepresented debtors in consumer credit cases in New York City Civil Court by advising litigants on self-representation strategies. Volunteer students provide administrative and programmatic support and help

¹ New York City Civil Court Statistics (on file with author).

² ANIKA SINGH, URBAN JUSTICE CENTER, DEBT WEIGHT: THE CONSUMER CREDIT CRISIS IN NEW YORK CITY AND ITS IMPACT ON THE WORKING POOR 14 (Oct. 2007), *available at* http://www.urbanjustice.org/pdf/publications/CDP_Debt_Weight.pdf.

³ NEIGHBORHOOD ECONOMIC DEVELOPMENT ADVOCACY PROJECT (NEDAP), DEBT DECEPTION: HOW DEBT BUYERS ABUSE THE LEGAL SYSTEM TO PREY ON LOW-INCOME NEW YORKERS 3 (May 2010), *available at* <http://nedap.org/resources/reports.html>.

⁴ New York City Civil Court Statistics (on file with author).

⁵ NEDAP, *supra* note 3, at 7.

administer the sessions. As New York Women’s Bar Association Foundation Fellows, both Donella and I became actively involved with CLARO and volunteered at sessions in both the Bronx and Manhattan. We were both then asked to join the board of Fordham’s Consumer Law Advocates and continue our work with CLARO this year. Part of my involvement with the CLARO Program included research into debt settlement scams, which target financially distressed consumers with the promise of a “debt free” future, take exorbitant fees, and too infrequently result in financial ruin for working poor and low-income New Yorkers.

II. DV CLARO Pilot Project

As NYWBAF Fellows, Donella and I worked primarily on the Feerick Center’s Domestic Violence and Consumer Law Project, which focused on an array of issues raised by financial control and economic abuse of domestic violence survivors. Economic abuse can include, for example, identity theft, limiting access to money, interfering with employment, damaging credit, and running up consumer debt.⁶ Economic abuse is both a barrier to leaving an abusive relationship and to remaining independent post separation. A recent Michigan State University study found that 99% of domestic violence victims interviewed had experienced some form of economic abuse during their relationship.⁷ Although it is so prevalent, economic abuse is one of the least understood forms of domestic abuse.⁸

One of the main focuses of the Domestic Violence and Consumer Law Project is the DV-CLARO Pilot Project. The DV-CLARO Pilot Project took the CLARO model and adapted it to the specific needs of survivors of domestic violence. This involved a more confidential setting than the typical CLARO session, with a consumer law attorney and a family law attorney simultaneously providing advice to the survivor on a consumer debt issue. During our time at the Feerick Center, Donella and I were able to help plan, administer, and participate in two DV-CLARO sessions that were done in collaboration with the Brooklyn Family Justice Center. During one session I was able to observe, the combination of the consumer debt crisis and economic abuse was immediately apparent. The visitor signed up to attend a DV-CLARO session because she knew she had poor credit, but was unsure of any particular problems. After pulling her court file for a case she did not know existed, it was discovered that she had a \$16,000 default judgment against her. This visitor had clearly been a victim of sewer service; the affidavit of service alleged to have served her, but listed a description that looked nothing like her. She had also only known about \$2,000 of debt on this credit card, the rest had accrued from her former abuser forging her signature on convenience checks sent by the credit card company. With the assistance of the attorneys in the DV-CLARO session and a follow up trip to Brooklyn CLARO the visitor was able to work to clear the default judgment.

III. Conclusion

⁶ NATIONAL COALITION AGAINST DOMESTIC VIOLENCE, *ECONOMIC ABUSE*
http://www.uncfsp.org/projects/userfiles/File/DCE-STOP_NOW/NCADV_Economic_Abuse_Fact_Sheet.pdf.

⁷ Adrienne E. Adams et al, *Development of the Scale of Economic Abuse*, 14 VIOLENCE AGAINST WOMEN 563, 571 (May 2008).

⁸ *Id.* at 564.

Entering law school I knew I wanted to work in the field public interest law after graduation. Although I was unsure of the type of law that I wanted to focus on, I have always been drawn to experiences where I work to improve the lives of women and children. During my fellowship I witnessed the intrinsic link between finances and the ability to live an independent life away from an abuser. Because of this experience I chose to continue my work with survivors this summer at Legal Services NYC – Bronx in the Family Law Unit. My experiences have made me determined to raise awareness regarding this aspect of domestic abuse and to develop strategies to help clients attain economic stability. This fall I am applying for public interest postgraduate fellowships focused on economic justice for domestic violence survivors to continue this important work.