



Know Your Rights:
Consumer Debt and Consumer Protection

with

NASSAU SUFFOLK LAW SERVICES COMMITTEE, INC.

Presented by Sharon Campo, Esq.,

Helen Wrobel, Esq. & Maria DeGennaro, Esq.





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World Since 1966.*



Please keep your
microphone muted.

Please put questions in
chat or raise your hand.

There will be polls
throughout and a survey
at the end.

Thank you!

Housekeeping

Who we are and what we do...



*Doing What's Legally
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- Over 6,000 legal cases each year
- Direct representation, phone consultations
- Brief service or referrals
- Offices in Hempstead, Islandia, Riverhead
- Case handling staff includes attorneys, paralegals and social workers
- Partnerships with Community Agencies



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Office Locations

Hempstead:

1 Helen Keller Way 5th Fl
Hempstead NY 11550
(516) 292-8100

Islandia (Western Suffolk):

1757 Veterans Hwy Ste 50
Islandia NY 11749
(631) 232-2400

Riverhead (Eastern Suffolk):

400 W. Main St Suite 200
Riverhead, NY 11901
(631) 369-1112

Nassau Suffolk Law Services *Programs*



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Family

- Domestic Violence Family Court Project (Suffolk)
- Child Support Project

Disability & Health-Related Projects

- HIV Unit
- Mental Health
- ICAN - Advocates in Managed Long-Term Care
- Education and Disability Rights (Special Education and Rights of Developmentally Disabled)
- Disability Advocacy Project (SSD/SSI Appeals)

Nassau Suffolk Law Services

Programs (continued...)



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Housing

- Civil Unit (Eviction Prevention)
- Foreclosure Project

Other

- Consumer Debt
- Veterans Rights
- Re-Entry Project
- Public Benefits
- Adult Care Facility Unit
- Senior Citizen Project (Nassau)
- Pro Bono Project (Suffolk)
- Volunteer Lawyers Project (Nassau)
- Community Legal Help Project (Suffolk)



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Legal Support Center for Advocates:

Advocates call (631) 232-2400 for assistance:

Sharon Campo - x3368 Cathy Lucidi - x3324

- Provide Technical Support to Advocates
- “Advocates” include legislative staff, social workers, outreach workers, medical personnel, and guidance counselors
- Host Community Trainings
- Publish Newsletters

Visit our website!



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- All About Our Programs
- Sign up for our “Legal Lessons”
- Trainings
- “Self-Help” Resources
- Other Events
- www.nslawservices.org



Just a Note...



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Nassau/Suffolk Law Services makes every effort to keep legal educational materials up to date. The information contained in this material is not legal advice. Legal Advice depends upon the specific facts of each situation. These materials cannot replace the advice of competent legal counsel.

Agenda



***Doing What's Legally
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1. Consumer Debt Legal Assistance Project Information
2. Consumer Debt: Know Your Rights
3. Consumer Protection
 - i. Government Impersonator Scams
 - ii. Home Repair Scams



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Consumer Debt Legal Assistance Project

Consumer Debt Legal Assistance Project

- The **Consumer Debt Legal Assistance Project** provides legal assistance to persons who are experiencing consumer debt problems, especially in the matters of medical and credit card debt.
- Services may include litigation defense and representation, phone advice, and/or referral for further services, including bankruptcy where appropriate.

Nassau: 516-292-8100

Suffolk: 631-232-2400



Consumer Debt Legal Assistance Project

- Collection letters/phone calls
- Credit Report Rights
- Credit Card Debt
- Medical Debt
- Higher Education Debt
- Automobile Loan Debt
- Judgment Consequences





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Consumer Debt: Know Your Rights

Presented by Sharon Campo, Esq., Helen Wrobel, Esq. And Maria DeGennaro, Esq.

Debt Collection Phone Calls/Letters

- Response to Debt Collector Phone Calls
 - Do not give any personal information over the phone
 - Request something in writing regarding alleged debt
- Response to Debt Collector Letters
 - Request verification of debt
 - Dispute Debt
 - Cease Dunning (must honor)
 - <https://www.daisydebtapp.org/>
 - See sample dispute letters with handouts





SAMPLE DEBT COLLECTION DISPUTE LETTER

Last updated February 2022

Long Island residents can use this letter to dispute a debt, to verify a debt under New York law, and to tell a debt collector to stop contacting them.

Your Name
Your Street Address
City, State ZIP Code
Date _____

1 CERTIFICATE OF MAILING

Collection Agency's Name
Collection Agency's Address
City, State ZIP Code

2 Re: Name of Company you owe money to, Account Number: (insert your account number here)

Dear Sir/Madam:

I am disputing the above-referenced debt. Please verify this debt as required by the Fair Debt Collection Practice Act (FDCPA) (section 1629g). Federal and state regulations require all debt collectors to send specific written documentation verifying the debt. Under these rules, verification requires all of the following:

- Proof of my agreement to pay the original creditor;
- A copy of the final account statement issued by the original creditor;
- A breakdown of the total amount due, showing principal, interest, and other charges; and
- For all other charges, the date of and basis for each charge.

3 I dispute this debt because

Because I am disputing this debt, you should not report it to the credit reporting agencies. If you have already reported it, please notify the credit reporting agencies that the debt is disputed and/or delete the tradeline from my credit report. Reporting information that you know to be inaccurate, or failing to report information correctly, violates the FDCPA and the Fair Credit Reporting Act.

Aside from verifying the debt, do not contact me about this debt. The FDCPA requires that you honor this request. Thank you.

Sincerely,

(Your name and signature)

4 cc: (Insert Name of Company)
Consumer Financial Protection Bureau

1 Make sure to mail your letter with a certificate of mailing and keep the proof of mailing for your records.

2 Fill in the name of the company the collection agency says you owe money, and the account number. If you do not know this information, give the collection agency some other information so that it knows what debt you are talking about.

3 Explain why you are disputing the debt. Here are a few reasons why you would dispute the debt:

- (1) You do not owe the debt;
- (2) You do not recognize the debt;
- (3) You are a victim of identity theft;
- (4) The debt has been paid;
- (5) You never received the item or service for which you were charged;
- (6) The debt is past the statute of limitations (too old).

4 Send the original letter to the collection agency. You should make at least one copy of the letter to keep for your records, along with your proof of mailing. You may also want to send copies to the original creditor and this agency:

Consumer Financial Protection Bureau
P.O. Box 4503
Iowa City, Iowa 52244

5 You may want to attach copies of these documents that support your dispute, such as payment or a police report.

Debt Collection Phone Calls/Letters ctd.

Fair Debt Collection Practices Act (FDCPA)

- Collection agency can only contact between 8am and 9pm
- Cannot threaten to tell employers or neighbors about debt
- Cannot falsely threaten to take illegal action (i.e., arrest)
- Cannot harass, threaten, embarrass, or intimidate
- Consumer can sue for FDCPA violations



Credit Reports

Normal--Free copy of credit report from all three bureaus (Experian, Equifax, TransUnion) every 12 months

Current--Request one free copy from 3 bureaus every week through December 2023. More information on the [FTC's website](#).

- Get your credit report by going to www.annualcreditreport.com, or 1-877-322-8228, or print form at www.ftc.gov/credit and mail to: Annual Credit Report Request Service, PO Box 105281, Atlanta, GA 30348-5281
- Through 2026, residents in the U.S. can get 6 free credit reports per year. Visit the Equifax website <https://www.equifax.com/personal/credit-report-services/free-credit-reports/> or dial 1-866-349-5191
- Errors or credit information older than 7½ years should no longer be on report



Credit Reports ctd.

Medical Debt

- Medical Debt must be in collections to be reported
- As of July 2022—medical debt that's been paid will not be on your credit report Starting July 1, 2022, grace period before reporting medical debt collection will increase to one year (previously 6 months)
- Starting in March/April 2023, medical collection debt less than \$500 will not be included in credit reports

Judgments/Liens

- Starting July 2017, civil judgments and tax liens will be removed if missing basic identifying information (i.e., name, address, social security, and date of birth)
- Need at least 3 of 4 to be reported
- Result is that all civil judgments and tax liens have been removed



Credit Reports ctd.

Disputes

- Dispute information with each individual credit bureau via online, in writing, or on phone
- <https://www.consumer.ftc.gov/articles/0151-disputing-errors-credit-reports>
- Dispute with medical provider/collection agency who is reporting incorrect information

Id theft

- [Freeze credit report](#)
- [Fraud Alert with Credit Bureaus](#)
- File police report
- <https://www.identitytheft.gov>



Medical Debt Rights: Medical Debt With Insurance - the Surprise Bill Law

NY Surprise Bill Law in Effect as of March 31, 2015

- Out-of-Network Providers (ER, Anesthesia, Referral from in-network provider) cannot balance bill without written consent where seen through referral, emergency room, etc.
- Does not apply to self-insured coverage (e.g., coverage through union)
- See more

information https://www.dfs.ny.gov/consumers/health_insurance/surprise_medical_bills.



Medical Debt With Insurance- the Surprise Bill Law ctd.

New Federal No Surprises Act as of January 1, 2022

- Consumers with self-insurance are now protected if their policy was renewed or issued after January 1, 2022. You are only responsible for paying your in-network cost-sharing (copayment, coinsurance, or deductible) for a surprise bill.
- Ban surprise bills for most emergency services, even if you get them out-of-network and without approval beforehand (prior authorization).
- Ban out-of-network cost-sharing (like out-of-network coinsurance or copayments) for most emergency and some non-emergency services. You can't be charged more than in-network cost-sharing for these services.
- **This is not retroactive**
- <https://www.cms.gov/newsroom/fact-sheets/no-surprises-understand-your-rights-against-surprise-medical-bills>



Medical Debt With Insurance- Receiving a Bill

- Balance Billing?
 - Contact health insurance
 - Contact provider
 - Will not correct Surprise Bill Violation? Contact NY Dept. of Financial Services- (800) 342-3736; <https://www.dfs.ny.gov/complaint>
 - Contact NY Attorney General Health Care Bureau for other billing issues- <https://ag.ny.gov/bureau/health-care-bureau>; (800) 428-9071
 - Negotiate lower and affordable amount



Medical Debt With Insurance- Receiving a Bill ctd.

Bills received when had Medicaid

- Medicaid recipients are not allowed to be billed
- Medical provider would have to have something in writing from recipient stating they agreed to privately pay

Bills received when had Medicare- should only receive bills for co-pays

*** Always check your Explanation of Benefits (EOBs) or the Medicaid/Medicare equivalent to ensure you are being billed correctly**



Medical Debt Without Insurance ctd.

- Hospital Debt? Apply for Charity Care/Financial Assistance
 - Must apply within 110 days of medical service
 - Mandatory for patients under 300% of the Federal Poverty Level
 - Repayment agreements cannot require more than 10% of the patient's gross monthly income
- Apply for Medicaid
 - Medicaid is three (3) months retroactive from date of application (if eligible at time of medical service)
 - NY State of Health: (855) 355-5777
- Many medical providers will reduce their rates for private pay so it helps to negotiate a lower amount with a payment plan



Student Loan Debt

Federal Loans:

No need to go to court to get judgment for collection

Can take SSD or retirement (but not SSI)

Several repayment options (e.g., Income Based Repayment)

Several discharge options (e.g., Total and Permanent Disability Discharge)

Easy to get out of default

Contact loan services

Payments currently suspended through August 31, 2022

Federal Loans

vs.

Private Loans

Private Loans:

Must sue to get judgment for collection and must be within statute of limitations

Cannot take exempt benefits

May not have income-based repayment plans

May not have discharge options



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Student Loan Debt ctd.

Neither federal nor private student loans can be bankrupt unless an undue hardship can be proven. Speak to a bankruptcy attorney if you think this is the only way for you.

General information:

<http://www.studentloanborrowerassistance.org/>

Federal info:

<http://www2.ed.gov/fund/grants-college.html?src=pn> or dial 1-800-557-7394



Higher Education Debt

EDCAP

What is EDCAP?

- The Education Debt Consumer Assistance Program of the Community Service Society. EDCAP is a program of the Community Service Society of NY (CSS), a 175+ year old non-profit organization. CSS created EDCAP in 2019 to help student loan borrowers across New York State effectively manage their debt and improve their financial health by providing free, unbiased, one-on-one consumer assistance. ***EDCAP is a one-stop shop for student loan debt and related issues, assisting both federal and private borrowers.***

What does EDCAP do?

- EDCAP does everything they can to help borrowers manage and when possible, eliminate their student debt. EDCAP can help borrowers with the following:
 - Determine their best repayment options;
 - Access loan forgiveness, cancellation, and discharge programs;
 - Get out of default to prevent wage garnishments, social security offsets, and tax intercepts;
 - Resolve issues with loan servicers and lenders;
 - Obtain referrals to other services and resources to address additional needs.
 - Track and report systemic issues to the relevant stakeholders and to advocate for systemic change.



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Car Debt- Buying a car

The New York State New Car Lemon Law provides a legal remedy for consumers who are buyers or lessees of new cars and certain "used" cars that turn out to be "lemons." If a car does not conform to the terms of its written warranty and the manufacturer or its authorized agent is unable to repair the car after a reasonable number of attempts, a consumer is entitled to a refund or replacement. Lemon Law applies to:

NY dealers

- Car with new warranty and less than 18K miles
- Used car with warranty and
 - between 18,001-36K miles, for 90 days or 4K miles
 - between 36,001-79,999 miles, for 60 days or 3K miles
 - between 80K-100K miles, for 30 days or 1K miles

Watch for “bait and switch” contracts. If car is in default, it can and will be repossessed without breaching the “peace.” To gain access after car repossession, must make demand in writing. Must be notified of repossession, auction, and sale. Can be sued for monies remaining on contract. Complain to NY Attorney General 1-800-771-7755



Car Debt ctd- Leasing a Car

Look Before You Lease -- Upon request, the leasing company must provide you with a sample lease before you sign.

Worth a Second Chance -- If you default on a monthly lease payment, you have the right once during the lease term to reinstate the lease. You must make the required payments within 25 days after receiving notice of your reinstatement rights.

There's a Limit -- Early termination charges must be reasonable and are limited under the law. The earlier you terminate your lease, however, the higher these charges will be.

Open-Ended Leases -- Beware of leases that make you pay the difference between the estimated vehicle value when you signed the lease and the "realized" or real value when the car is returned. This can amount to a lot of money!

Wearing Thin -- You may dispute an excess wear and damage claim by using the Attorney General's arbitration program set up to hear such complaints.

1-800-771-7755 www.ag.ny.gov



Judgment Consequences

- Judgments can be collected upon for 20 years and renew for another 20 years every time a payment is made
- Must respond to information subpoenas within 7 days of receiving them
- Wage garnishment: Wages can be garnished if your disposable income (income after taxes or deductions required by law) exceeds \$420/week. Up to 10% of gross income (income before tax) or up to 25% of net income (disposable income) can be garnished. A modification from the court can be requested if it causes hardship.



Judgment Consequences ctd.

- **Frozen bank account:** The first \$3,360 in account is exempt from lien. If exempt funds (i.e., Social Security, Public Assistance, child support, etc.) are direct deposited to account, then more than the \$3360 could be exempt. Banks are guided by the Exempt Income Protection Act.
- **Property liens:** Initially 10 years, can be renewed for another 10 years. Homestead exemption is \$179,975. Motor vehicle exemption is \$4,825. Exemption for motor vehicle equipped for use by disabled debtor is \$11,975
- New York Attorney General will garnish New York tax refunds for State Hospital judgments



National Consumer Protection Week • March 5–11 #NCPW2023

How to Spot, Avoid, and Report Scams

Learn — and teach others —
how to spot, avoid, and report scams.

ftc.gov/MoneyMatters



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www.nslawservices.org

Follow us on social media:



Sign up for our online mailing list for
more resources including our Law
Services' Newsletter and monthly
Legal Lessons:
<https://tinyurl.com/NSLSLegalLessons>





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Government Impersonator Scams

Presented by Maria DeGennaro, Esq.

How it works

- You get a call, email, text, or message on social media
- Says it's from "the government"



Why it works

- They're convincing
- They tap into your emotions



A real government agency

- Won't call, text, or email you out of the blue with threats or promises of money



Money, money, money

- Wire transfer
- Prepaid card
- Gift cards
- Cryptocurrency
- Any of these things = sending cash



Their line, your reply

- "Your Social Security number has been suspended. Pay \$\$\$ to get it reinstated."
- "You owe back taxes. Pay \$\$\$ or get arrested or deported."
- "Share your Medicare number to get your new Medicare card."



What to do

- Stop. Don't click any links or call numbers.
- Don't send money.
- Contact the agency at a number you know to be true.



Report it!

- [ReportFraud.ftc.gov](https://www.reportfraud.ftc.gov)
- 1-877-FTC-HELP





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Home Repair Scams

Presented by Helen Wrobel, Esq.

Home Repairs and Maintenance

- Expensive
- Urgent
- Require special skill or equipment



How it works

- Scammer knock on your door pressuring you for repairs
- They ask for payment up front or only accept cash
- They suggest you borrow money from a specific lender they know



Money, money, money

- Cash
- Wire transfer
- Bad financing



What happens next

- They never make the repairs
- They make shoddy repairs
- Your home is at risk



What to do

- Get three estimates
- Get references and proof of license and insurance
- Get it in writing



When in doubt... report it!

- [ReportFraud.ftc.gov](https://www.reportfraud.ftc.gov)
- 1-877-FTC-HELP



QUESTIONS?

Thank you for attending!

If you have any questions,
please contact us!



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