



Lawsuit Reform Alliance of New York

Justice. Fairness. Common Sense.

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Response to Sheldon Silver's Latest Indictment

“While the latest charges against former Assembly Speaker Sheldon Silver should outrage New Yorkers, what is more outrageous is not what is illegal, but what is legal. According to press reports, Silver’s dealings with the lawsuit lending firm Counsel Financial are under investigation, but activities of the industry itself are what should be investigated and regulated.

Lawsuit lenders in New York often charge predatory rates far above what is considered legal for any other type of loan, sometimes in excess of 100% annually. By claiming their products are ‘investments,’ they are able to dodge New York’s strict consumer protection laws. Sheldon Silver’s newest indictment shows how profitable that model can be. Tragically, consumers who take these loans often see much or all of their final settlement or award consumed by interest charges and attorneys’ fees.

This latest charge against Sheldon Silver is a wake-up call that predatory lending is alive and well in New York. We urge lawmakers, the Attorney General, and the Department of Financial Services to come together to put an end to predatory lawsuit lending.”

-Tom Stebbins, Executive Director, Lawsuit Reform Alliance of New York

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Contact: Phoebe Stonbely | PStonbely@lrany.org | 518.512.5265

The Lawsuit Reform Alliance of New York (LRANY) is a nonpartisan not-for-profit association of businesses, professionals, healthcare providers, membership organizations, taxpayers, and concerned citizens committed to changing New York’s legal system to help create jobs and energize our economy.

19 Dove Street, Suite 201
Albany, NY 12210
518.512.5265
www.LRANY.org