

*Serving Bucks, Chester,
Delaware and Montgomery
Counties Since 2001*

Mission

Our mission at LASP is to provide quality legal representation to low-income people, to empower them to solve problems without legal representation through legal education and increased access to the courts, and to change community practices and systems that cause or aggravate poverty.

Elizabeth C. Price

President

Elizabeth Wood Fritsch, Esq.

Executive Director
215-781-1111 x204

Harvey Strauss, Esq.

Executive Director
610-275-5400 x117

Please Note: Articles in this newsletter are intended to provide general information and not specific legal advice. If you have a specific legal problem, you should consult an attorney or call our toll-free Helpline at 1-877-429-5994.

Help for Older Adults in a Tough Economy



As the economy has taken a serious turn for the worse, LASP has seen a disturbing increase in older adults contacting us for help, particularly for problems with consumer and credit card debt and meeting mortgage obligations.

Legal Aid's experience mirrors national trends. According to two recent AARP studies, bankruptcy filings and foreclosure rates are on the steep rise among older Americans. "The combination of fixed incomes and higher bills has pushed many seniors to the brink financially," said Elizabeth Warrant, a professor at Harvard Law School and one of the study's authors. Older adults simply have less time to recover financial losses and are less likely to be able to obtain or increase employment income to help make ends meet.

Fortunately, Legal Aid has been able to respond to the increase in demand for our services via continued funding support from the departments of aging services in Bucks, Montgomery and Delaware counties and grants from the Chestnut Hill Community Health Foundation and the 1675 Foundation.

In the past year, 40 older adults received LASP's help in obtaining federal bankruptcy protection for more than \$925,000 in debt. 11 avoided loss of their homes. 41 were able to stop illegal and harassing debt collection practices. 14 avoided utility termination and 13 received help in preserving \$866 in food stamps each month.

This month's newsletter features specific actions consumers can take to respond to creditors. If you or an older adult that you know is experiencing financial or legal difficulties, call the Legal Aid Helpline or one of our local offices to learn about your legal options.

Pro Bono Volunteers Make All the Difference!



It is impossible to overstate how important pro bono volunteers are to LASP. In the fiscal year ending in 2007, 322 attorneys from across the four county region provided legal advice and representation to individuals and families in 893 cases. These cases covered a broad range of issues, including protection from abuse, custody, bankruptcy and elder law. Thanks to their efforts, 588 persons obtained orders of protection against abuse, 133 others obtained or maintained custody or visitation of their children, 23 people received relief from overwhelming debt through negotiation with creditors or bankruptcy, 18 obtained a will or living will, 7 preserved their housing and 11 received unemployment benefits or child support.

The impact that this work has on people's lives can be illustrated by two recent cases handled by pro bono attorneys.

A woman came to Legal Aid seeking a Protection from Abuse Order for herself and her dependant adult son. For years she had suffered abuse and intimidation at the hands of

her husband. An alcoholic, he possessed over 25 guns in addition to various other weapons and ammunition. The woman had already suffered a fractured skull and was nearly run down by her husband's car. In addition, the husband had emotionally abandoned their son, who was severely disfigured from an accident that had occurred while he was supervising the child. Afraid to stay in the marital property, which sat back in the woods with no true way of escape, the woman was looking for a safe place to live with her son. Through the efforts of a pro bono attorney, an order of protection for 3 years was granted. Also, through assistance from A Woman's Place, a shelter with whom we collaborate, she was able to get a job and her own place (with a confidential address). She is now ready, with her son, to move forward with her life.

Another case involved a man who came to us with a driver license suspension issue. His license had been suspended in 2001 due to a head injury he sustained in a motor vehicle accident. Despite his attempts to persuade PennDOT that he was now competent to drive, and his submission to that agency of a neurological report indicating that he was cleared to drive, PennDOT continued to deny restoration of his driving privileges. A pro bono attorney stepped in to represent the client and, within a few months, he was able to drive again.

The legal issues that face our clients are frequently not so much complex as they are *critical* to the future wellbeing of the client and his or her family. Often, the intercession of an attorney to make a phone call, write a letter, file a pleading or appear at a short proceeding is all that is needed to achieve good and long lasting results.

Thanks to the efforts of our pro bono volunteers, many more low income and vulnerable residents of our four counties have been and continue to be able to receive LASP's help.

CLIENT *Fact Sheet*

Issues in Consumer Finance | Fall 2008

*Prepared by Legal Aid of
Southeastern Pennsylvania*

This fact sheet is intended to provide general information and not specific legal advice. The law often changes. Each case is different. If you have a specific legal problem, you should consult an attorney or call the LASP Helpline toll-free at 1-877-429-5994.

Se habla español.



What Debt Collectors Can (and Cannot) Do

Do not let debt collectors pressure you into doing something that you cannot afford to do. It is important to make your own choices as to what is best for you and your family. In most cases, collectors cannot legally do much to harm you, even though their threats are dire. Most debts such as credit cards and doctor's bills are "unsecured." This means that there is no collateral such as the family home or car that the creditor can take back.

A creditor who is collecting payment on an unsecured loan can only do the following three things:

- > Stop doing business with you.***
- > Report your nonpayment to a credit reporting agency.***
- > Begin a lawsuit to collect the debt.***

Even if the creditor does sue you and eventually wins, the worst that can happen is that a court judgment is entered against you. You will not be sent to jail, or be in contempt of court because you can't pay. The judgment only then gives the creditor the legal right to start to try to enforce the judgment. For these reasons, being sued on an unsecured debt is not as dangerous as a mortgage foreclosure, a car repossession, or a utility shutoff. Take care of these situations first.

Remember, you have no moral obligation to pay one debt over another. Creditors know this. They should not be rewarded for trying to pressure you into doing something that might be detrimental to you or your family.

8 Ways to respond to creditors

Call and Explain Your Situation

Head off harassment before it starts. Promptly call your creditor in order to explain your circumstances. This is particularly important with creditors such as hospitals, doctors or dentists who quickly turn over debt to collection agencies.

Write a "Cease Letter"

Federal law requires collection agencies to stop their efforts after they receive a written request to do so. Even though the law does not apply to creditors who are collecting their own debts, they will often stop anyway.

Ask a Lawyer to Write a Letter

A lawyer's letter. If a cease letter does not stop collection efforts, a letter from a lawyer usually will, as long as a lawyer continues to respond to the collection agency, they cannot contact the debtor.

Try to Negotiate a Payment Agreement

Keep in mind that you can negotiate with creditors about any of the terms of your obligation, including re-setting the clock on a credit card debt so there is no delinquency. Regardless of the type of deal you try to negotiate, be careful about offering too much if such payments would cause you not to be able to make your housing or utility expenses.

Check for Billing Errors

Raise complaints about billing errors. Collection letters often contain many errors. When a collection letter contains a mistake, promptly write to request a correction. During the time you are disputing a bill, the collection agency must stop collection efforts while they investigate.

Appeal to a Government Agency

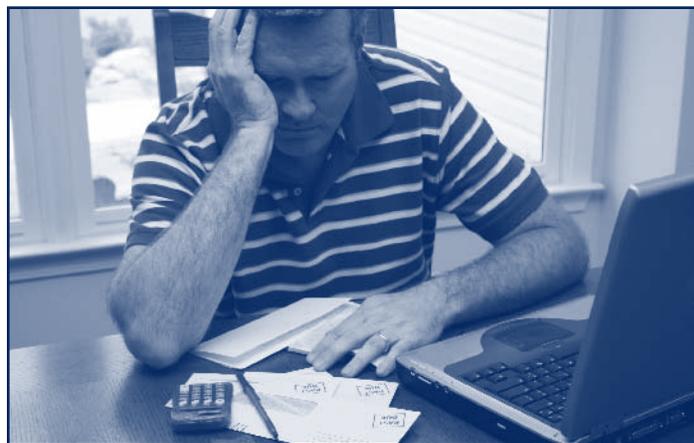
Places such as the Federal Trade Commission or the State Attorney General's Office are good people to contact. The agency might not investigate immediately, unless it has other complaints, but sending a copy of an unfair collection letter often produces results.

File for Bankruptcy

When you file you automatically trigger the "automatic stay." This stay immediately prevents all of your creditors from proceeding with any collection activity.

Sue the Debt Collector for Illegal Conduct

Federal and state laws provide consumers with strong protections. But debt collectors often break these rules because they get away with bad behavior. There are attorneys in private and public interest practice who specialize in representing people in claims against such creditors.



News and Notes

■ *Improvements to the IOLTA Program*

On September 4, thanks to the efforts of the Interest on Lawyers Trust Accounts (IOLTA) Director, its Board and the Justices of the Pennsylvania Supreme Court, the Court issued an administrative order stating that Pennsylvania attorneys have to hold their trust accounts, both IOLTA and non-IOLTA, in banks that pay a rate on those accounts comparable to the bank's best rate on similar accounts. Up until now, there has been no such requirement and while some banks have voluntarily paid comparable rates, others have paid much lower rates. This rule will go into effect upon publication in the Pennsylvania Bulletin and the banks will be allowed some time to adjust their products. This should result in an increase in IOLTA revenues although, with the continued drop in interest rates and, perhaps less money in accounts, revenues may still be down.

■ *Fourth Annual Taste of Chester*

The members of the Chester County Paralegal Association (CCPA) once again worked their magic and pulled off a wonderful Taste of Chester event to benefit LASP and CCPA. The event, in its fourth year, only seems to get better with age, this year featuring food from Butterfish, High Street Café, Iron Hill Brewery, Limoncello, and Spence Café as well as a long list of great auction items including original artwork from West Chester artist Dennis Haggerty, pearl and diamond jewelry, Eagles tickets, and loads of gift certificates from West Chester area shops and restaurants. More than \$12,000 was netted to be shared by the two groups.

■ *Office Move in West Chester*

We have new office space in West Chester! The building we were in on Biddle Street was slated for demolition, so we packed our bags and file cabinets and moved to 222 North Walnut Street. Fortunately, our phone, fax and internet addresses have not changed and we were up and ready for business the next day. Please drop by and see our new digs.

■ *Another Successful Race!*

On September 24th a very successful first annual Bucks County Bar Association Pro Bono Committee Race Judicata 5K run was held in Doylestown Borough. 128 runners ranging in age from 4 to 70 and of all sizes and abilities ran and walked the course, cheered on by volunteers and friends. When all was said and done, LASP received about \$5,000 in proceeds. Sponsors of the race included several local law firms, Univest Bank, First Bank of Newtown, CKS Engineering, and in-kind donations from businesses such as Movad (printing) and Rachel Ryan of Both is Better LLC (design).



And they're off! Runners fresh from the starting line at the Race Judicata 5K on September 24th in Doylestown.

Special Thanks to Our Funders

LASP is pleased to acknowledge these recent awards:

- \$50,000 – Independence Foundation
- \$25,000 – Patricia Kind Family Foundation
- \$20,000 – McLean Contributionship
- \$17,435 – Chester County Trial Run 2008
- \$15,000 – United Way of Bucks County
- \$15,000 – Claneil Foundation
- \$11,400 – United Way of Southern Chester County
- \$10,000 – Independence Fdn: Chester Co. Challenge
- \$10,000 – Sen. Williams/PA Dept. of Comm. & Econ. Dev.
- \$10,000 – North Penn Community Health Foundation
- \$7,500 – Bucks County Foundation
- \$5,000 – Aetna Foundation
- \$5,000 – Bucks County Race Judicata 5K
- \$2,500 – Flexible Benefits

LASP Legal Aid
of Southeastern PA

1290 Veterans Highway
Box 809
Bristol, PA 19007

Administration

625 Swede Street
Norristown, PA 19401

www.lasp.org

NON-PROFIT

U.S. POSTAGE PAID

BRISTOL, PA 19007

PERMIT NO. 436

LASP Offices

Bucks County

1290 Veterans Highway, Box 809
Bristol, PA 19007
215-781-1111

100 Union Street
Doylestown, PA 18901
215-340-1818

Chester County

222 N. Walnut Street, Second Floor
West Chester, PA 19380
610-436-4510

Delaware County

410 Welsh Street
Chester, PA 19013
610-874-8421

Montgomery County

625 Swede Street
Norristown, PA 19401
610-275-5400

248 King Street
Pottstown, PA 19464
610-326-8280

LASP TOLL-FREE HELPLINE, MON-FRI 9 AM-1 PM, SE HABLA ESPAÑOL **1-877-429-5994**

LASP offers useful educational brochures on a variety of legal topics. To receive a copy of any of these brochures, in English or Spanish, call the Helpline.

Landlord/Tenant Law
Evictions
Security Deposits
Public Housing
Utility Law
LIHEAP
Preventing Foreclosure

Bankruptcy
Credit Reports
Repossessions
Custody
Child Support
Divorce and Separation
Protection from Abuse
Unemployment Compensation
Social Security
Medical Assistance
Food Stamps
Issues in Aging
Advance Healthcare Declaration
Power of Attorney

Community Education and Outreach

LASP offers community legal education, staff in-service training and outreach about our services to a variety of groups in our four-county region. If you would like to schedule a LASP representative for an upcoming event, contact Harvey Strauss, Esq. at 610-275-5400 x117.