



December 22, 2021

Contact:

Alejandra Lopez
The Legal Aid Society
917-294-9348
ailopez@legal-aid.org

*****FOR IMMEDIATE RELEASE*****

***Legal Aid Calls on Governor Hochul to Sign the Fair
Consumer Judgment Interest Act After Transmitted by
Legislature***

(NEW YORK, NY) – **The Legal Aid Society**, in response to the New York State Legislature’s transmission of the **Fair Consumer Judgment Interest Act** ([S5724A/A6474A](#)) to Governor Kathy Hochul for consideration, issued the below statement calling on the Governor to immediately sign it into law. The legislation will reduce the pre- and post-judgment interest rate for consumer debt actions from 9% to a fixed 2% interest rate and apply the same 2% rate retrospectively to the unpaid portions of any consumer debt judgment entered prior to the bill’s effective date.

“This legislation will reduce the financial hardship experienced by many of our clients and countless New Yorkers who have been economically impacted by the COVID-19 pandemic. Job loss and ill health have left many individuals with no choice but to take on debt to pay for necessities. This bill will provide much needed relief to tens of thousands of low-income and economically distressed New Yorkers. It further addresses the systemic failures that have disproportionately harmed communities of color for decades and exacerbated racial inequity.

With the bill, individuals with judgments for rent and utility arrears, uncovered health care costs, credit card debt, car loans, student loans and unpaid tuition will have a fair chance to get their lives back on track.

The Legal Aid Society urges Governor Hochul to ensure economic justice for New Yorkers by signing this bill into law and reducing the pre- and post- judgment interest rate levied on consumer debt.”

###

The Legal Aid Society exists for one simple yet powerful reason: to ensure that New Yorkers are not denied their right to equal justice because of poverty. For 145 years, we have protected, defended, and advocated for those who have struggled in silence for far too long. Every day, in every borough, The Legal Aid Society changes the lives of our clients and helps improve our communities. www.legalaidnyc.org