



WASHTENAW COUNTY

OFFICE OF THE PROSECUTING ATTORNEY

ELI SAVIT
PROSECUTING ATTORNEY

VICTORIA BURTON-HARRIS
CHIEF ASSISTANT PROSECUTING ATTORNEY

May 9, 2023

Via U.S.P.S. first-class mail

Jane and John Smith
Street Address
City, MI Zip

Re: Notice of Federal Government Action Against Debt Collector Portfolio Recovery Associates

Dear John and Jane Smith,

Why are you getting this letter:

The Economic Justice Unit of the Washtenaw County Prosecutor's Office is writing to inform you about a lawsuit that the federal government has filed against Portfolio Recovery, a nationwide debt collector. The EJU reviewed Washtenaw County court records for Portfolio Recovery local cases. According to the court records, Portfolio Recovery has sued you in a debt collection civil case.

Why does this matter:

Because you have legal rights. Please note that if you do not appear in court, you automatically lose the case (by default)—and almost 70% of debt collection cases end in a default judgment. This does not mean the case goes away. This means that Portfolio Recovery may be able to use the default judgment to garnish your wages or tax returns for many years. Garnish means that your money is paid directly to them and not to you.



Image credit: Access to Justice Lab

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Justice, Justice, Shall You Pursue

Why are we writing this letter:

The Economic Justice Unit is providing this Notice as a public service to promote the integrity of the court process. The Economic Justice Unit is providing this information so that you can make more informed decisions about your case. It is up to you to decide what to do with this information.

What we are not doing:

The EJU is not taking direct action in your individual debt collection case. **We do not and cannot provide legal services for individuals.** But the next page of this letter has resources that may assist you.

The federal government said that Portfolio Recovery broke civil laws

- Made at least tens of thousands of representations about unsubstantiated, disputed debts
- Threatened legal action through millions of collection letters and began thousands of legal actions without proper documentation of the debt
- Misrepresented that it would provide timely documentation of debt to consumers
- Collected on time-barred debt (debt that they could no longer recover because it was too old) without making required disclosures
- Sued on time-barred debt.

The federal judge ordered Portfolio Recovery to do these things

- Pay at least \$12.18 million to consumers harmed by its illegal collection practices
- Pay an additional \$12 million in penalties to the federal government
- Have a reasonable basis to believe it is collecting debts that consumers actually owe
- Respond to consumer disputes in a timely manner.

Possible options (totally up to you):

- (1) Ask the Court to do something
- (2) Ask Portfolio Recovery for paperwork proving that they have the right to collect debt from you (they must provide this)
- (3) Dispute the debt directly with Portfolio Recovery
- (4) Look for legal help from a private attorney or non-profit legal services
- (5) Look for additional legal information
- (6) Negotiate with Portfolio Recovery (with additional bargaining power from knowing your legal rights)
- (7) Do nothing.

Here are some resources:

- **Michigan Legal Help (Non-Profit Legal Information)**
 - <https://michiganlegalthelp.org/resources/debt-collection-and-foreclosure>
- **Legal Services (Non-Profit)**
 - Speak directly with a lawyer who can provide legal advice (and potentially representation) for low-income and senior people
 - Counsel and Advocacy Law Line
 - 888-783-8190
 - Hours: Mon, Tu: 9a-5p, Wed: 9a-6p, Th: 9a-5p, Fri: 9a-1p
 - Callers wait on hold and then answer screening questions
- **Case Search (Courts)**
 - You can search for Washtenaw County courts (14A, 14B, or 15th district court)
 - You can look up court cases by your own name or by the case number
 - <https://micourt.courts.michigan.gov/case-search/>
- **Eastern Michigan University Legal Resource Center (Self-Help Center)**
 - 734-994-0160
 - Hours: Tu, Wed, Th, 9a-4p while EMU in session (re-opening May 10, 2023)
 - <https://michiganlegalthelp.org/self-help-centers/eastern-michigan-university-legal-resource-center>
- **Washtenaw County Bar Association (Private Attorney)**
 - Lawyer referral service, 734-996-3220 (\$30 administrative fee)
 - <https://www.washbar.org/public/lawyer-referral-information-service-lris/>
- **Financial Management and Credit Repair**
 - United Way of Washtenaw County
 - GreenPath Financial Wellness
 - Financial Planning with Credit Unions and Banks
 - <https://www.washtenaw.org/731/Credit-Financial-Management#:~:text=GreenPath%20Financial%20Wellness,out%20the%20online%20request%20form.>



Image credit: Access to Justice Lab

Here are some questions you or your lawyer might ask:

- Does Portfolio Recovery owe me money?
 - A federal judge ordered Portfolio Recovery to pay \$12 million to certain consumers – am I one of those consumers?
- Does Portfolio Recovery have the right paperwork?
 - A federal judge ordered Portfolio Recovery to have certain paperwork—and Portfolio Recovery cannot collect on debt without it
- Is my debt “time-barred”?
 - You have a certain amount of time to bring a lawsuit in court. When did the clock start ticking? What time is it now?

Please note that the Economic Justice Unit represents the People of the State of Michigan as a whole and does not represent individuals as a lawyer. **We are providing this notice as information only and cannot represent you directly in the case or give you formal legal advice.** You may assert your individual rights directly or through an attorney, and you may find legal information and resources available through state bar associations and legal services organizations. Please look at and pursue every option that you may have to assert your rights.

Sincerely,



Eli Savit
Washtenaw County Prosecutor



Todd Ryan
Director of Economic Justice Unit