

Sarah Poriss
Attorney at Law, LLC
www.sarahporiss.com

2074 Park St. 2nd Fl.
Hartford, CT 06106

Ph (860) 593-1758
Toll Free Fax (866) 424-4880

My name is Sarah Poriss and I submit this testimony in opposition to Raised Bill No. 1121, An Act Concerning Post-Judgment Interest.

I am a solo attorney and a large portion of my practices is spent defending consumers in credit card collection actions. A typical client is someone whose case has already gone to judgment, or whom I cannot protect from entry of judgment by the company that has brought suit. These are clients whose financial circumstances are often dire and they cannot afford day to day expenses such as food and utilities. When they are sued it is because they have become unemployed or otherwise unable to work, or are underemployed, and cannot afford to pay their credit card bills. Judgment amounts are often inflated by high interest, late fees and over-limit fees charged by the creditor before the account was closed and put into litigation. Adding mandatory 10% interest will only increase the inflation on these judgments.

Many plaintiffs seeking to collect debts through the courts are third-party debt buyers who purchase outstanding account balances for pennies on the dollar (often not more than 5 cents per dollar). Any monies then collected by a third-party debt buyer above the nominal amounts paid for the account constitute profit. Raised Bill No. 1121, by adding an additional 10% per year to judgments, would create further inequitable results more harmful on balance to the economy as a whole.

The Bill seeks to override a recent, well-reasoned Connecticut Supreme Court decision with regard to post-judgment interest (Ballout v. Law Offices of Howard Lee Schiff, P.C.). The result of that decision was that now each judge and magistrate may review the facts and circumstances of each case and make an equitable decision with regard to post-judgment interest. In my experience, the majority of collection defendants do not have attorneys, but the plaintiffs are well represented. If a judge or magistrate is not persuaded by a plaintiff's attorney's request for interest, it is likely due to the facts raised in the claim. I believe it is in a consumer's interest to keep discretion with the finder of fact in these circumstances who can keep the playing field level. The changes that came about after Ballou have not precluded nor stopped plaintiffs' attorneys from negotiating the level of post-judgment interest and obtaining stipulated judgments that include the maximum amount. Raised Bill No. 1121 would take away that one last negotiating point or variable from already financially strapped consumers.

Thank you.