



NEW YORK STATE SENATOR

Robert G. Ortt

## Ortt Receives Guardian of Civil Justice Award

ROBERT G. ORTT | October 23, 2018

| ISSUE: **LAWSUIT LENDING, CIVIL JUSTICE, CONSUMER PROTECTION**



Today, Senator Rob Ortt (R,C,I,Ref-North Tonawanda) was awarded the Guardian of Civil Justice Award by the Lawsuit Reform Alliance of New York for his role in sponsoring legislation that would reform the state's lawsuit lending landscape.

Sen. Ortt is the sponsor of Senate Bill 3911A, which would reform New York State's lucrative lawsuit lending industry. Currently, the practice of lawsuit lending is unregulated, which has led to horror stories involving shady business practices. The absence of any regulation regarding personal lawsuit loans has created instances where interest rates reached upwards

of 124 percent. This rate is nearly five times the limit set by New York State for criminal lawsuits.

“New York State already has a reputation as one of the most litigious states in the country. By encouraging lawsuits with these questionable funding practices, lawsuit lenders are creating further congestion in our state’s courtrooms for their own personal gain,” said Sen. Ortt. “While there are certain situations where the lending of these loans is necessary, in many cases, the consumer ends up being taken advantage of by the lender. This legislation is aimed directly at addressing that.”

Sen. Ortt’s legislation would see the interest of lawsuit loans capped at 18 percent while outlining interest guidelines in an effort to protect consumers entering loan agreements.

“This industry shouldn’t be exempt from oversight or consumer protection,” said Ortt. “This isn’t the wild west. As legislators, we have a duty to step in and protect residents when they are being taken advantage of. We must find a balance between allowing an industry to operate freely, while also placing just enough regulation on it to protect consumers who may be in a vulnerable situation.”

“I want to thank the Lawsuit Reform Alliance of New York for awarding me this year’s Guardian of Civil Justice Award, and I look forward to continuing our work to get this legislation passed through the Legislature and to the governor,” said Ortt.

This year, Senate Bill 3911A passed the Senate; however, Democrats in the Assembly did not act upon it.

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RELATED LEGISLATION

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## 2017-S3911A

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- Introduced
- - In Committee Assembly
  - In Committee Senate
- - On Floor Calendar Assembly
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- - Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor
- 

Relates to third party litigation financing

January 30, 2017

In Senate Committee **Consumer Protection**

Sponsored by **Robert G. Ort**

Do you support this bill?