

MAKING AN IMPACT: AN INTERVIEW WITH NEW ECONOMY PROJECT ATTORNEY SUSAN SHIN

MALLORY COONEY[∞]

This is the second in a series of interviews with attorneys who are pursuing social change through their work. This conversation is between Social Change staff editor Mallory Cooney and NYU School of Law alumnus Susan Shin, an attorney with New Economy Project.

Susan and her team at New Economy Project bring impact litigation that challenges Wall Street corporations and promote economic justice in NYC low-income communities and communities of color. Susan is also a 2006 graduate of New York University School of Law, where she was an Arthur Garfield Hays Civil Liberties Fellow.

Mallory Cooney: How did you become interested in economic justice?

Susan Shin: During my 1L summer, when I interned with South Brooklyn Legal Services' Foreclosure Prevention Project, I first learned about the devastating impact of unfair and discriminatory financial practices, such as subprime mortgage lending, on low-income communities and communities of color. I was also interested in immigration work, and spent my 2L and 3L years in NYU Law's Immigrant Rights Clinic, working with immigrants who were facing deportation because of criminal convictions. But then the Legal Aid Society, where I had interned my 2L summer, offered to sponsor me for a Skadden Fellowship to work on abusive debt collection issues facing Queens' mostly immigrant communities. I thankfully got the fellowship, and spent the next two years defending Queens residents in court against debt buyers – companies that buy up old debt for pennies on the dollar – and learning about their inherently problematic business model and the many fraudulent practices they engage in. At New Economy Project, I've continued to work on abusive debt collection issues – another unfair financial practice that disproportionately affects low-income communities and communities of color – and on other systemic problems that really demonstrate how expensive it is to be poor.

Mallory: Why did you choose to work with New Economy Project?

Susan: I first learned about New Economy Project, then NEDAP, during my 1L summer law internship with South Brooklyn Legal Services' Foreclosure Prevention Project, which worked closely with NEDAP on issues around subprime lending. I became a huge admirer of NEDAP's work. Toward the end of my fellowship with the Legal Aid Society, I saw that NEDAP was looking for a second staff attorney, and jumped at the chance because it was an opportunity to do more policy work. A bonus was that my former supervisor at South Brooklyn Legal Services had by then become a co-director at NEDAP. I've been with NEDAP/New Economy Project

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since 2008, and really like how we tackle economic justice issues using a range of strategies, including impact litigation, policy advocacy, coalition building, community education, and research. I'm also really excited about the "new economy" work we've started doing more recently – hence our name change. In addition to fighting against the systemic inequities in our economy, we now also work to promote democratically-structured, community-controlled initiatives, such as worker cooperatives and community land trusts, in an effort to build a just economy that works for everyone.

Mallory: Challenging corporate heavyweights through impact litigation sounds like incredibly important but also potentially very frustrating work. How do you navigate creating an impact litigation strategy when the other side is so well-resourced? How does your role as an economic justice non-profit interact with or compare to the role of financial regulators who are also "policing" the industry?

Susan: Like other nonprofit organizations that do this work, we have to be very strategic when deciding to bring a piece of impact litigation and, as the term suggests, do so only when we feel it has the potential not only to address the individual's situation – though that's critically important – but also to trigger wider, systemic practice changes by the bank or corporation or other entity we're suing. We often try to bring on co-counsel to help with the day-to-day litigation work that can become so labor- and time-intensive. And it's great when the media becomes interested and helps to spotlight the issue.

I think there are some parallels between our work and the enforcement work that financial regulators do, though at New Economy Project we always explicitly set out to hold banks and corporations accountable to low-income communities and communities of color. We see such problems as abusive debt collection, unfair bank practices, and fringe financial services as economic justice issues rather than just consumer protection issues: For instance, it seems to be mostly low-wage workers, and often people of color, who are getting paid by payroll cards, which basically require workers to pay fees just to access their wages. We do talk often with financial regulators, to share disturbing practices and patterns we're hearing about through our legal hotline, from colleagues, or from our community-based organization partners. We also try to keep the regulators themselves accountable to low-income communities and communities of color, by calling on regulators to implement rules and regulations that will address the systemic bad practices that we're seeing.

Mallory: What has been the most surprising aspect of your day-to-day work?

Susan: When I first started working at New Economy Project, I thought of myself as a decent writer, but I've learned so much, and continue to learn, from my co-workers, and especially our co-directors, about how to communicate more effectively, and to be much more precise and deliberate about how I use language. I'm also constantly surprised at how much I continue to learn in general, especially with the new economy work we've started doing.

Mallory: What types of questions are asked the most when people call the NYC Financial Justice Hotline?

Susan: People ask us mostly about debt collection issues, especially debt collection lawsuits. Often they have just discovered that a court judgment was entered against them without their knowledge, and ask us what they can do about it. Most of the time they were never properly served with notice of the lawsuit, and found out only when their bank account was frozen or they received a notice saying that their wages were about to be garnished. Or they first learned that there was a judgment against them when a potential employer, landlord, or creditor pulled their credit report and told them, “We can’t hire you / give you this apartment / refinance your mortgage because there’s a judgment against you.”

Mallory: How do you think the new debt collection regulations put forth by Governor Cuomo will affect your clients? Do you think they go far enough to protect New Yorkers?

Susan: They’re a huge step in the right direction, and will protect New Yorkers from some really glaring debt collection abuses. For instance, debt collectors will no longer be allowed to try to collect debts from people without even having any information about the debts. It will also be harder for debt collectors to collect against people’s exempt income, such as Social Security or disability benefits. These new rules don’t apply to banks, which also engage in debt collection abuses, but hopefully the state will soon add those protections as well.

Mallory: It seems when I talk to any attorney, there’s a case or two that really stands out in their mind as the most rewarding for them. Is there one experience during your time at Legal Aid or New Economy Project that has been especially meaningful?

Susan: Yes, the federal lawsuit that New Economy Project brought against a major national bank for facilitating payday loans, which are illegal in New York. The New York Times ran a front-page lead story on what had happened to our two plaintiffs when their bank refused to stop payday lenders from draining our plaintiffs’ bank accounts, in violation of federal law, and then charged our plaintiffs massive amounts of bank fees. After our lawsuit, the bank agreed to implement critical, system-wide changes that will help prevent payday lenders from illegally debiting people’s bank accounts. Both federal and New York State regulators have also since taken very strong enforcement actions to address the role of banks in facilitating payday lending. So in terms of sheer impact, this two-plaintiff lawsuit turned out to be a huge case that brought widespread attention to the problem.

Mallory: What advice do you have for law students (or anyone looking for a career change) interested in doing direct services work, be it here in New York City or anywhere else?

Susan: As far as trying to make yourself a more attractive job candidate for direct services positions, I would recommend seeking internships or volunteer opportunities with legal services organizations and participating in your school's legal clinics, so you can show that you have experience working directly with clients. [As mentioned above,] New Economy Project also runs a financial justice legal hotline for low-income New York City residents, and we offer summer and term-time law internships, so that's another great opportunity for law students to obtain direct legal service experience. Once you have a direct services position, it's good to try to cultivate a big-picture perspective on the case-by-case client work you do, so that you can try to identify the systemic problems affecting your clients, and help advocate for large-scale solutions to those problems.

Mallory: On a very practical note: what is the number one tip you would give to a student or recent grad to avoid financial troubles?

Susan: If you have federal student loans, know that there are federal programs, such as income-based repayment plans, to help people who might not be earning enough to cover their normal student loan payments. A good website where you can learn more is studentloanborrowerassistance.org.