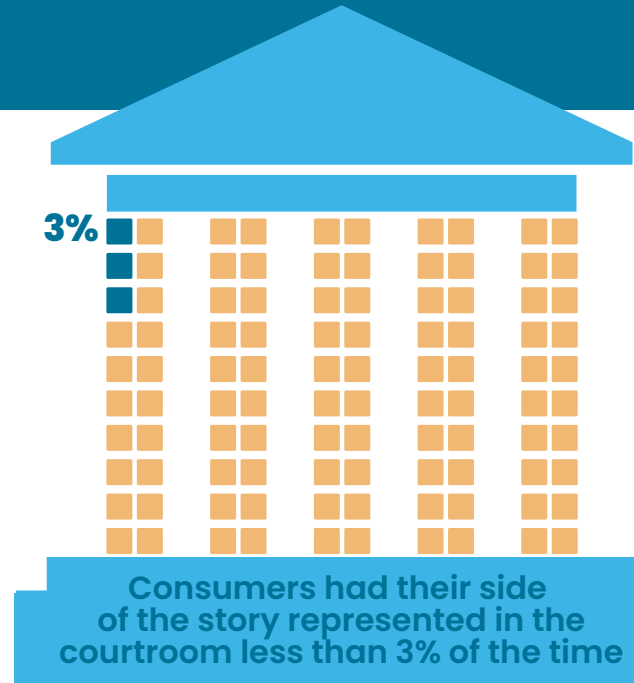


Oregon Data Snapshot

# How debt collectors and debt buyers use their unequal power to pursue consumers in court

## Debt collectors and debt buyers have two important things that consumers often do not: time and legal expertise.

- In small claims debt collections cases filed in 2022, consumers had their side of the story represented less than 3% of the time.
- A random sample of cases brought by large debt buyers and debt collectors in civil court in 2021 showed:
  - No consumer had an attorney representing them.
  - Only one defendant filed an answer to the debt collector's complaint.
  - Debt buyers and collectors won nearly two-thirds of the cases; the rest were dismissed. No consumer won a case.
  - In no case did a debt buyer or debt collector have to prove the merits of their case, they won each time by default judgment.



## Debt lawsuits can have serious consequences on household finances, by giving collectors the power to withhold wages directly from paychecks or even freeze bank accounts.

1 in 4 cases end in wage seizure



- Of the civil court cases we reviewed, every case that was not dismissed ended in a lien filed against the consumer. 1 in 4 of these cases ended with the collector pursuing wage seizure.
- In nearly 20 percent of small claims cases filed in 2022, a debt collection or debt buyer attempted to seize a consumer's wages, bank account, or both.

## Debt collectors and debt buyers are flooding the court system with cases to recover old debts.

- On average, more than 100 complaints were filed against consumers by debt collectors or debt buyers every day the courts were open in 2022 – and that's just in small claims court.
- The 27,000+ cases filed against consumers in 2022 by debt collectors and debt buyers represented nearly 80 percent of all cases filed in small claims court.
- In 2021, nearly 30,000 contract cases were filed in civil court. The vast majority of these were brought forth by debt buyers, debt collectors, and banks.



*DATA NOTES: Debt collector and debt buyer cases are primarily filed in small claims court and the civil court's contract division. The small claims data above is pulled from Dollar For's recent Pointless Debt report. Civil court data were compiled by SEIU Local 49 from Oregon's Judicial Case Information Network (OJCIN); a random sample of 200 cases filed by the largest debt collectors and buyers were drawn from five counties (Clackamas, Deschutes, Josephine, Marion, and Yamhill).*