

The Bottom Line

Volume IX, Number 2

March 1993

A bimonthly newsletter published by Debtors Anonymous of Greater New York
P.O. Box 452 Grand Central Station, New York 10163

DA: Forgotten (Temporarily), But Not Gone

On Saturday morning, January 2, 1993, I received a particularly nasty New Year's greeting from the Constant Collection Company (a discreet pseudonym) in northwestern New York State, which has been handling my payments on a national bank credit card account for the past year. (The bank, a national commercial bank which offers many forms of consumer credit, will, like this writer, remain anonymous in this story.) The caller told me she had no record of my December 1992 payment and demanded full payment of this old debt immediately!

In fact, she was so abusive that my mind froze. In that moment I forgot I'd been in DA for more than 4 1/2 years! I forgot one of the first things I learned in our rooms, namely, that we don't have to accept any abuse from any creditor about any outstanding debt.

Most importantly, I forgot that I HAD submitted a December 1992 payment -- in advance! Knowing I'd be out of town the first week of December, I thought it best to take care of this responsibility ahead of time. So I put that day's date on the check -- November 26, 1992 -- but wrote on the

reference line of that check, "December '92", which I underlined in red. And I enclosed a memo on which I had written, in very large letters, "This is my December 1992 payment." Since I also included my account number, it never dawned on me that I'd have any trouble.

When I had regained some composure and located the canceled check for the payment in question, I told the woman on the other end of the phone what was written on the check, including the red underlining. And I mentioned what was on the accompanying memo. But she would have none of this. "We don't read memos here. You sent us a check with a November date, and we entered it as a November payment. That's your fault."

At this stage I emerged from fear and dove headlong into rage! In fact, I was so furious that I slammed down the receiver hard enough to hurt one of my fingers. (The base of the nail is still black -- a reminder of my brief DA program blackout that morning!)

But I didn't want to give up, so I called the collection agency back and asked to speak to a supervisor. Big mistake! The second agent was far worse than the first! (So nasty that she refused to give me her

name.) No doubt she has had extensive intimidation training.)

In the process of trying to reason with this person, I not only got very flustered, I also got very frightened again -- especially when she announced that the Constant Collection Company could now go into my checking account and withdraw the full amount of the debt! I said, "You can't do that unless you have a court judgment against me." She replied snottily, "You think you know the law, but you don't!"

At that point, thank God, I had the presence of mind to quietly hang up. I sat for a few minutes to get my mental bearings. That's when I realized I had a valuable DA tool at hand -- the telephone!

During the next two hours, I must have spoken to five long-time DA members. HP saw to it that I called people who were home that day and -- what a blessing! -- had a lot of experience, strength, and hope to share. They were truly there for me, in every sense of the word.

Having gotten through that day's terror, I resolved to begin taking steps on the following Monday to get information about my rights as a consumer in this situation.

It was a time-consuming process, because over the next month I ended up speaking to two officers at my branch bank, two mediators for the Complaint Division of the NYC Consumer Affairs Department, and an attorney at the New York office of the Federal Trade Commission (FTC), which has the job of seeing that collection agencies "play by the rules."

All of my resources did confirm that, under the law, no collection agency can withdraw funds from a bank account without a court order, i.e., without having taken an individual to court and won a judgment against that individual.

But there was some unsettling news, too. One of the bank officers I spoke to said the bank will only verify that an individual has an account -- and under no circumstances will reveal what is in that account. Then another officer, who had overhead that statement, challenged it. He said that in some cases the bank can acknowledge if a customer has enough money in an account to cover a check in a given amount. But he wouldn't specify what those cases are.

The FTC attorney also shared information that gave me pause: He said he has heard of situations where unscrupulous collection agencies traced a bank customer's account number, submitted their own drafts to a bank with the customer's account number on it, and withdrew funds that

way. When I asked him if there were any way I could protect myself as a bank customer, he suggested I write a letter to my bank branch manager instructing the bank to pay ONLY preprinted checks with my name and address on them, signed by me, and to honor ONLY branch savings withdrawal slips, signed by me. And he suggested I send this letter with a return receipt requested for my records. I followed this suggestion.

In addition, the FTC attorney also promised to mail me a copy of the "Fair Debt Collection Practices Act" so that I can know more about my rights as a consumer paying off debt. (To get a copy of another informative document -- a pamphlet titled, "Facts for Consumers: Fair Debt Collection" -- stop by or write to the Federal Trade Commission, 150 William Street, 13th Floor, New York, NY 10038. Phone: 212/264-1207.)

This gentleman, who was my most helpful resource, also suggested I write a letter of complaint to him about the Constant Collection Company. But he conceded that since the supervisor I had talked to -- or tried to talk to -- on January 2 had refused to give her name, it would be hard for the FTC to follow up about a possible law violation. Never mind, I still wrote the letter of complaint!

While I was in the groove, I also wrote a two-page letter of complaint to the relevant

regional office of the Attorney General of the State of New York about the abusive behavior of those nameless collection agents. I enclosed a copy of the canceled check for my December '92 payment and offered to submit copies of the 12 canceled checks and/or money orders I had sent to the agency every month over the past 12 months.

I'm happy to say that I received notice from that regional office advising me it had received my correspondence, would look into the matter, and would report back to me. I later received a copy of a letter sent by the Attorney General's office to the collection agency. Following this official warning to the Constant Collection Company, that agency in turn has written me that it will no longer communicate with me by phone and has permanently removed my phone number from its files. **A success in dealing with creditors!**

Meanwhile, I continue to make my regular monthly payments of \$20 to the collection agency, according to the agreement I had worked out 13 months ago with more sane and cooperative folks at the same company.

I have no fear now, because I refused to sit back and be a victim of abuse. I took actions that raised my level of awareness, gave me useful, if sometimes unsettling, information, and increased my self-esteem. For me, that's DA in action!

What I'm most grateful for is the realization that my DA program and the DA fellowship had never left me. I had only temporarily forgotten them during a moment of crisis....

P.S. For those of you who have incurred credit card or other debt with the same bank in which you now have checking and savings accounts, I'd like to share an experience I had two years ago with my former bank--this same national bank which had issued me the credit card-- and how I handled it. I hope it will spare you the anxiety I went through.

One day I was shocked to discover that -- with no written or telephone notification -- the bank had gone into my savings account (in which I had just deposited an IRS refund check) and withdrew over \$325 to cover two back payments against a credit card debt of mine from the same bank. (I had incurred this debt before coming into DA.) Not only that, my bank had frozen my savings account!

Evidently there was fine print authorizing this practice on the account application form I had signed (probably without reading) in opening my account.

Well, here was another DA crisis -- i.e., another opportunity to draw on the experience, strength, and hope of the fellowship, including my former pressure woman.

As soon as my bank unfroze my savings account, I immedi-

ately withdrew the money I had left and opened up checking and savings accounts in another bank. This may sound like a simple, logical step, but I don't think I would have had the clarity to take such a decisive step before program.

In short, I had accepted the thing I could not change (my bank's practices) and changed the thing I could (the location of my bank accounts). And that's the Serenity Prayer in action....

GUIDELINES FOR TREASURERS

After meeting current needs and establishing a prudent 1 or 2 months' reserve (including rent, literature and other costs), the treasurer disperses any remaining funds according to a suggested formula of 45%--Intergroup/ 45%--General Service Office/ 10%--local area General Service Representatives. **Contributions to New York Intergroup should be made payable to Intergroup DA and sent to Debtors Anonymous of Greater New York, Attention: Seventh Tradition, Box 452 Grand Central Station, New York, New York 10163.**

Be sure to write your group's name and city on all contribution checks. General Service Board contributions (payable DA/GSB) are sent to Box 400 Grand Central Station, New York, NY 10163. The remaining 10% supports the

local delegates from each group who meet monthly to handle program wide policy and principle issues. Send checks (payable DA/GSR) to: DA/GSR of Greater New York, P.O. Box 1215 Murray Hill Station, New York, NY 10156.

CALLING ALL GROUPS

Contributions for January were \$29.51 and for February \$194.24. The Greater New York fellowship thanks Metuchen New Beginnings, Gay/Lesbian Visions (2 checks), Monday Prosperity, Watchung Gratitude, New Hope Chester, and Sunday Prosperity. Keep those contributions coming and your group's name will be acknowledged in this space.

Our annual spending plan now calls for \$7,755, or \$646.25 monthly. For a better idea of what your money supports, see the complete 1993 Annual Spending Plan developed and approved by Intergroup on February 24, 1993 (published on page 4 of this newsletter) and the 1992 Financial Report, approved on the same date.

The Bottom Line

Nancy C. signs off as editor and sends thanks for the opportunity to produce this newsletter for almost two years. Your writing was inspiring, and so many helped, especially Eric J. and his computer. Please keep supporting the newsletter by sending in your own stories and articles to Intergroup's Grand Central post office box.

DA INTERGROUP ASSOCIATION OF GREATER NEW YORK

Income and Spending Plan for 1993

Income

Contributions: Groups.....	3000
Individual	100
Interest from Bank Account	75
Intergroup Share from Literature Sales (1)	1500
Special Events: Share-A-Day	3000
Dances (2)	--
Other (2)	--
Total Income	7755

Expenses

Rent	360
Post Office Box	45
Administrative Expenses: Office Supplies	30
Bank Service Charges	50
Postage & Envelopes	60
Transportation.....	60
Reserve	50
Telephone Message Bank	2300
Bottomline Production	1500
Meeting List Production	650
Group Communications (3): Printings	50
Postage & Envelopes	250
Reserve	50
Special Events: Share-A-Day	2000
Dances.....	--
Other	--
Yearly Financial Records Auditing Fee	150
Legal Fee to Finalize Tax Exempt Status	150
Total Expenses	7755

Notes:

- (1): 20% of Total Literature Sales minus Expenses.
- (2): To support fellowship among the membership, Intergroup is planning additional social events. These are expected to be self-liquidating as a minimum, and are not yet 'costed-out.'
- (3): Expenses for items related to communications, e.g., flyers, mailings for communications with the groups, and so on.

Prepared by: Nancy C., Steve G., Luis R., Roberto de U.

February 24, 1993