

Massachusetts law firm is accused of suing debtors without 'meaningful attorney involvement'

Massachusetts Attorney General Maura Healey is seeking civil penalties against a debt-collection law firm accused of pursuing cases based on inaccurate or incomplete information.

Healey filed a civil complaint last week against the firm, Lustig, Glaser & Wilson, according to a press release and the Boston Globe. The press release accuses the firm of suing consumers “without any meaningful attorney involvement in the lawsuits.”

In the press release, Healey said Lustig Glaser “used the judicial system to intimidate and harass people.”

“We allege that this firm and its owners took advantage of thousands of Massachusetts consumers by demanding money they had no right to collect and on the basis of debts they could not prove,” Healey said in the press release.

The law firm relied on computerized spreadsheets provided by national debt buyers, the press release says. That allowed the firm to process up to thousands of consumer accounts for collection in a day’s time.

But the spreadsheets provided little information about payment histories, original contracts, ownership of the debt, and disputes over amounts owed, according to the Globe, which cites information in the complaint.

In some cases, the press release alleges, the firm: demanded payment for time-barred debts; threatened consumers with garnishment of exempt income, such as Social Security and disability benefits; and pursued consumers even after learning its demands were based on inaccuracies and even after lawsuits were dismissed for lack of proof.

By Debra Cassens Weiss