



## THE PRO BONO PRESS

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# Another Pro Bono Success!

## \$19,000 Recovered for Client

The Pro Bono Project is extremely proud of its success in the following case. This is a case in which our client was sued for \$4,000 and ended up getting \$19,000 instead. Georgia Smith (a pseudonym) was notified by a government agency that it was pursuing her for student loans in excess of \$4,000. In fact, the agency was in the process of once again garnishing her salary. Ms. Smith is a security guard earning approximately \$6 per hour with three dependents that included her unemployed 23-year-old daughter and her two grandchildren, all of whom were living with her. In fact, Georgia had lost her license as a guard due to a notice sent to a state board that she was in default on student loans. Georgia had no car, no savings, no house, and in fact no assets other than her clothes and some furniture. **Tony DiLeo, Esq. of Stone, Pigman**, volunteered to help Georgia.

When Mr. DiLeo contacted the government agency, he was told that the client's debt could not be compromised nor discharged in bankruptcy, that the agency would challenge any discharge, and that Georgia did not meet the hardship test. They also felt she had no legal duty to support her daughter or grandchildren.

Through background research, Mr. DiLeo discovered that Georgia had borrowed money for student loans in the late 1980s when she attempted to go to a state university and that, over some 13 years, she had already paid back about \$19,000 in principal and interest on all of her students loans combined. However, a claim was being pressed against her for \$4,000 of asserted interest, principal, attorney's fees, and court costs. In investigating the federal law under which the client received the funds, the volunteer attorney determined that a prospective student had to have an "ability to benefit" under federal law before a student loan could be validly made. On further research, Mr. DiLeo discovered that Georgia had failed out of the 9th grade with all F's, had not attended school in 25 years at the time she made the loans, had no high school

diploma or GED, was not tested prior to being admitted to college, and after she attempted a college curriculum, she received all F's and "unsatisfactory" in her remedial courses. In essence, Georgia had no "ability to benefit" because she had no GED or high school diploma and was not tested prior to admission. Therefore, Mr. DiLeo successfully made the assertion on our client's behalf, *that the loans were invalid from the outset*. As a result, all payments made by Georgia *from the outset* were refunded to her.

In short, the \$4,000 claim against the client was dismissed and instead Georgia has and will receive refunds of more than \$19,000, nearly two year's salary to her. This successful result was obtained through an arduous effort of obtaining numerous affidavits, interviews of prospective witnesses, obtaining educational transcripts back to the 1950s and 1960s, and research into the technical requirements of federal law. We believe that, without our volunteers like Tony DiLeo, the result would have been very different. Indeed, Georgia's attorney was even able to persuade an educational psychologist to provide an opinion as to her intellectual and emotional inability to succeed in college. This expert's opinion substantially helped overcome the claims being made against her. Of the \$19,000, about \$8,500 was applied to student loans her children had made and the rest is in cash to Georgia. All of these services were rendered to her without cost.

While the results of this volunteer's efforts can easily be measured in monetary terms, the most important impact can be seen in the effects this has had on the client's life. Our volunteer remarked upon the transformation he has witnessed in the client's attitude and demeanor. These changes can be attributed to the positive feelings inherent in not only being able to meet one's obligations but in having some excess to deal with the emergencies that are associated with everyday life. We are truly grateful to this volunteer for going beyond "the extra mile" to assist this client in getting her life back on track.