

NYC Initiative Petition to Amend NYC Charter – under § 37, New York Municipal Home Rule Law

I, the undersigned, do hereby state that I am a resident of and a registered and qualified voter in New York City, that my present place of residence is truly stated opposite my signature hereto, and that I do hereby sign this Petition, as set forth below and on the one additional page, to enable the contents of this Petition (or an approved summary) to be submitted to the electors of New York City at a general election.

In witness where, I have hereunto set my hand, the day and year placed opposite my signature.

Date	Name of signer (signature required) (printed name may be added)	Residence	Enter NYC County
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Signature:
/ /13 printed name:.....ZIP

PETITION TO REQUIRE NYC TO ASSIST RESIDENTS WITH STUDENT LOAN DEBT IN REDUCING THEIR DEBT THROUGH NYC CONDEMNATION OF LOANS AND PAYOFF TO LENDERS AT THE PRESENT MARKET VALUE OF THE LOANS AND/OR THROUGH CLASS ACTIONS OR JOINDER ACTIONS TO INVALIDATE STUDENT LOANS BASED ON FRAUD

WHEREAS, the United States government has enacted laws encouraging students and their parents to incur student loan obligations far in excess of the ability of the borrowers to repay and, at the same time, has enacted laws that prevent students and their parents from seeking relief in Bankruptcy Court, and has encouraged colleges and universities to run their schools without regard to the economic devastation to be faced by students who, after purchasing a higher education with student loans, find out that there are few jobs enabling the students to pay off their loans without living in substantial and extended poverty;

WHEREAS, the number of students and their parents being adversely affected by these governmental programs are having an adverse impact on the economy of New York City, through reducing the amount of money available for local expenditures and increasing the amount of governmental assistance and expenditures to attempt to deal with the growing student loan problem;

[Note: The Petition is continued on page 2.]

**Complete ONE of the following:
(1) STATEMENT OF WITNESS**

I, (name of witness) _____ state: I am a duly qualified voter of the City of New York and I am also duly qualified to sign the Petition. I now reside in New York City at (residence address, including No., Street, County, ZIP) _____.

The individual whose name is subscribed to this Petition sheet containing 1 signature, subscribed the same in my presence on the date above indicated and identified himself/herself to be the individual who signed this sheet.
I understand that this statement will be accepted for all purposes as the equivalent of an affidavit and, if it contains a material false statement, shall subject me to the same penalties as if I had been duly sworn.

_____/_____/2013
Date _____
Signature of Witness

WITNESS IDENTIFICATION INFORMATION: The following information for the witness named above must be completed prior to filing with the Board of Elections in order for this petition sheet to be valid.
County in New York City: [Circle or Underline One of the Following:] Bronx Kings New York Queens Richmond

(2) NOTARY PUBLIC OR COMMISSIONER OF DEEDS

On the date above indicated before me personally came the NYC voter whose signature appears on this Petition sheet containing one petition signature who signed same in my presence and who being by me duly sworn, said that the foregoing statement made and subscribed by him/her was true.

_____/_____/2013
Date _____
Signature and Official Title of Officer Administering Oath

WHEREAS, the adversely affected students and their parents are too impoverished to obtain meaningful help to deal with their student loan problems, and NYC in its *parens patriae* capacity (meaning "the government, or any other authority, regarded as the legal protector of citizens unable to protect themselves") has the obligation to help these victims of abusive student loan practices to enable students and their parents to become members of the middle class in spite of their present student loan burdens; **WHEREAS**, there are ways in which NYC can help these students and their parents without going beyond what they would have been able to obtain through the courts or bankruptcy (if they had not been deprived of bankruptcy protection by federal statute).

THE FOLLOWING IS HEREBY DESIRED AND APPROVED AS AN INITIATIVE FOR ADOPTION OF A LOCAL LAW TO AMEND THE NEW YORK CITY CHARTER, TO BE PRESENTED TO VOTERS OF THE CITY OF NEW YORK AT A GENERAL ELECTION OF VOTERS:

1. The title of this local law is "Act to Require NYC to Assist Residents with Student Loan Debt in Reducing Their Debt through NYC Condemnation of Student Loans and Payoff to Lenders at the Present Market Value of the Loans and/or through Class Actions or Joinder Actions to Invalidate Student Loans Based on Fraud or Other Misconduct."
2. The NYC Public Advocate or other agency established by NYC for this purpose (the "Agency") shall accept and review applications by obligors and guarantors of student loans to determine how and for whom relief from student loan obligations may be obtained, within the guidelines of (i) having claims for reduction or elimination of loans or interest on loans enforceable by a court; or (ii) reduction through condemnation proceedings but only to the extent that a student loan obligor (as guarantor or former student) would have been entitled to relief in bankruptcy court in absence of the law prohibiting student loan debt from being scheduled in a bankruptcy proceeding).
3. The Agency shall commence lawsuits, as class actions, joinders or in special instances lawsuits for as few as 1-2 obligors without charge to the obligors, with fees to be sought and obtained by settlement or court order, to be held in trust and used only for the purposes of this Act for a 10-year period, including payments in furtherance of debt reduction relief, after which any excess revenues may be returned to general funds of NYC.
4. Also, the Agency shall arrange for the condemnation of student loans under the guideline limitations, but only to the extent that NYC can first find a purchaser of the to-be-taken (condemned) student loan obligation for its fair market value. The condemnation may if appropriate, at the discretion of the Agency, leave any or all rights of enforcement for the purchaser of the condemned loan, to create and incentivize a market for condemned student loans on one hand, while obtaining substantial principal reduction for the obligors on the other hand.
5. An obligor meeting the residence requirement of living in NYC at the time of commencement of an action or condemnation relating to his/her student loan obligation does not forfeit his/her benefits under this Act by any subsequent change of residence to somewhere outside of NYC. Also, this Act applies to student loan obligations created before a person becomes a resident of NYC.
6. This Act cannot be changed or repealed other than by vote of NYC registered voters at a general election.
7. The funds required to pay for this activity of NYC are first to come from awards of attorneys fees by the Courts to the Agency as well as any award of attorneys fees to the obligors represented by the Agency; secondly from any affordable fees charged to the obligors, and thirdly from general revenues of NYC.
8. Any to-be-condemned student loan obligations shall first be offered to the pre-condemnation owner of the obligation, if such person can be identified, and thereafter to banks, investors, and others on a competitive basis.
9. If any provision or part of this law is held to be unconstitutional or invalid for any reason, the remaining provisions or parts shall be in no manner affected thereby but shall remain in full force and effect.

Plan for Financing the Implementation of this Statute Require NYC to Assist Residents with Student Loan Debt in Reducing Their Debt through NYC Condemnation of Student Loans or Litigation Based on Fraud or Other Misconduct

(Submitted in Support of the Petition pursuant to ¶ 11 of Section 37 of the NY Municipal Home Rule Law)

Funds required to implement this statute are: initially, from awards of attorneys fees by the Courts to the Agency as well as any award of attorneys fees to the obligors represented by the Agency; secondly from any affordable fees charged to the obligors, and thirdly from general revenues of NYC.

Availability of Additional Information about this Petition, the Ballot Initiative Process, and the Individuals Involved

Additional information about this Petition and other Petitions, the Ballot Initiative Process and the individuals involved is available at lawmall.com/nycballotinitiatives.php. Copies of this Petition may be downloaded and printed out for use.

WHERE TO MAIL THE ORIGINAL SIGNED PETITION

Please mail the Petition (as signed by two NYC registered voters) to:

NYC Ballot Initiatives c/o Carl E. Person
225 E. 36th Street – Suite 3A
New York NY 10016-3664

[end of petition zz33zz2]