Political Underpinnings of Debt Enforcement: The Curious Case of the New York City Marshals

Sociologists understand the role of credit in reproducing harmful inequalities especially across racial lines (Dwyer 2018; Wherry and Chakrabarti 2022; Charron-Chénier and Seamster 2021; Seamster 2019). Implicit in this literature is a recognition that, somehow, a mortgage might turn into a foreclosure; a consumer credit line might turn into a tanked credit score or frozen bank account. But how does a delinquent debt turn into a seized asset? Who does the actual seizing? When? The answer requires an accounting of the *enforcement* mechanisms of debt. This is a late phase of the "life of the debt" often long after entering a credit contract, defaulting, getting calls and letters from collectors, getting sued and having a judgment entered. A whole enforcement branch, often outside of the courthouse, administers these judgments. Sheriffs, private process servers, and, in the case of New York City, Marshals are tasked with finding a judgment debtor, serving them with an "income execution," and processing the slow and often sporadic process of garnishing wages or seizing assets until a judgement is satisfied. This stage of indebtedness is often ignored by sociologists who have nonetheless done essential work in excavating the politics of credit distribution (Quinn 2019; Quinn et al. 2025; Prasad 2012; Manza 2015), the relational dynamics of managing credit and debt (Lazarus and Lacan 2020; Zaloom 2019; Hochschild 2012), and larger quantitative outcomes of indebtedness (Mian and Sufi 2015; Wiedemann 2021).

There's an urgent need to study the life cycle of debts. Consumer debt, namely credit card, rent, and utility debt has been increasing rapidly and have surpassed 2008 level debts (Federal Reserve Bank of New York, 2026.). This might not be too big of a problem, if people pay of their debts and use credit as a means of wealth creation. But delinquencies are increasing (ibid) and some reports suggest that at least 7% of the American work force have dealt with garnishments let alone other forms of debt enforcement like reposed cars or frozen bank accounts (Yildirmaz and Goldar 2013). Moreover, this burden is not shared equally amongst all debtors. Communities of color hold a disproportionate amount of debt enforcement actions (DeFusco et al. 2022).

This paper looks at the case of one enforcement branch, the NYC Marshals, and their distinctive privatized, highly profitable, and deeply unpopular system to map out and assess some of the key dynamics of debt enforcement. For almost a century, mayors, civic groups, and judges have called for the system's abolition, but no one has been able to rid the city of the marshals. I leverage the political contestations around New York City's debt enforcement regimes as an opportunity to understand some of the underlying assumptions, opinions, and dynamics of debt: what do city officials or residents think creditors are owed? What do they think debtors deserve? Why has this system persisted? More foundationally, how does enforcement shape the credit landscape? Using historical methods, I trace the last century of the NYC Marshals and find two overarching dynamics at play. First, that a particular understanding of contracts shapes marshal practices; namely large creditor contracts are prioritized above all. Second, fiscal crises dictate the realm of possibilities for reform as well as the underlying logics behind enforcement practices. The priority is to collect more fees and fines to increase revenue.

Case and Methods:

New York City Marshals are a unique branch of city government. The mayor appoints private citizens for fixed year terms with no term limits. They are not paid a salary but rather work for-profit and on commission, to execute evictions, liens, and garnishments. This position has existed since the 17th century following Dutch legal custom and few changes have been made to the system. They make their living by collecting "poundage" or interest on the judgment amount that they're able to collect first before garnishing any of the principal in question. The city assesses a fee and takes a small percentage of their revenue. They are housed in the Department of Investigation and are regulated by the Bureau of Marshals. They are given badges and guns. Many make millions annually and turn over their business to their children[1].

[1] "City Marshal Annual Revenue," DOI, https://www.nyc.gov/site/doi/offices/cmar.page

Along the way, New Yorkers submit thousands of complaints against the marshals for damaging their property or incorrectly garnishing their wages. Recently, it was revealed that out of the roughly 35 marshals there have been 550 complaints and 30 investigations since 2019[2]. Many have been forced to resign or be removed. In 2024, 29 marshals collected a total of 40 million dollars in poundage and other fees and had a net revenue of 20.5 million dollars. Many mayors, from La Guardia to Robert F. Wagner, John Lindsay, and Ed Koch have tried to abolish the marshal system and dozens of bills have been introduced with the hopes of shifting enforcement to the sheriff's department, but no one has managed to rid NYC of this archaic and unpopular enforcement system[3].

While more work is clearly needed on the contemporary workings of NYC Marshals and other debt enforcement systems, as well, this paper aims to understand how and why New York City has its current system. To study the evolution of the Marshals I reviewed archival materials found in the New York City Municipal Archives on six major moments when marshal abolition was a live question. I found numerous reports from multiple mayors and other city agencies and looked at the materials compiled to make these reports. I also analyzed contemporaneous news reports and legal cases. I reviewed marshal complaints and investigations. All official reports and internal correspondences discuss marshals as a problem pointing to their conflict of interests and the need for more supervision. They have varying degrees of understanding and appreciation of the marshal's difficult position or of the City's fiscal crisis. As time goes by, more data is offered to support claims. Each report offers some kind of data describing the amount of money made by marshals. Authors of reports try to give marshals leeway, often excuse what seems like glaring issues (one marshal did not record a single garnishment he executed, for example).

[2] Smith, Greg B. "Many City Marshals Have Been Disciplined for Misconduct, Chief Investigator Testifies." *THE CITY - NYC News*, May 6, 2024. https://www.thecity.nyc/2024/05/06/city-marshals-disciplined-misconduct/.

[3] Kleiman, Dena. "Mayor Vows He Will Not Appoint More New York City Marshals." Archives. *The New York Times*, April 21, 1978. https://www.nytimes.com/1978/04/21/archives/mayor-vows-he-will-not-appoint-more-new-york-city-marshals-jobs.html.

Results:

Through an analysis of government documents, court files, and news reports spanning from the 1930s and Mayor Fiorello La Guardia to Mayor Bloomberg and the 2008 financial crash, I find that the NYC Marshal's practices and norms are the result of a series of political compromises and constraints that prioritize *specific* creditors rights, namely large creditors and holders of debts at the expense of debtors rights and smaller creditors. On an institutional level, Marshal's for-profit logic leads them to specialize in the kind of contracts they are willing to enforce working to execute bulk judgements or large for specific creditors. This, in turn, shapes the legal terrain for all creditor contracts and shapes the planning of New York creditors who expect to, one day, use their services. In other words, marshals' interest in maximizing their own revenue, encourages specific forms of creditor behavior. In this case, large debt buyers and other predatory creditors and debt collectors whose business model relies on bulk debt enforcement rather than sound credit allocation work almost as business partners with these marshals. Indeed, marshals often view these creditors their clients.

These organizational or "firm" level practices are also shaped large questions of political economy. In the face of serious fiscal constraints and budgetary crises, questions of equity and contractual norms are subsumed under the urgency of increasing revenue. Fees and fines are increased not to punish derelict debtors but to increase funds in city coffers. Reforms aimed to tackle decades of corruption claims and thousands of complaints of damaged property and erroneous garnishments are analyzed based on cost rather than outcome. As a result, some illegal practices are made legal solely to cut costs or remove liability. For example, I found that it was well known that marshals illegally served notice to debtors of their garnishments by serving the "income execution notice" by mail, instead of in person as mandated by New York Civil Practice Law and Rules [4]. In the 1970s, New York City Council, facing serious fiscal constraints, grandfathered in notice by mail to reduce costs. While a cheaper practice, the

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[4] New York City, 1975. Management evaluation of city marshals and the sheriff's office. New York City Municipal Archives

city now deals with the costly and ethically problematic legal procedural issues of “sewer service” where either marshals knowingly send notice to the wrong address or doing little work to look for the proper address of a debtor. This leads to a host of other budgetary issues with more debtors going to court to pause their garnishments due to lack of proper service. This one vignette articulates a larger dynamic political economic constrains shape contractual norms.

Conclusion:

NYC Marshals are a surprising case of state-sanctioned privatized debt enforcement. It’s surprising that in one of the largest consumer markets in a state with significant consumer protections has an enforcement branch with a long history of corruption, collusion, high fees and fines and predation against debtors and small creditors. Most New Yorkers would rather not have this system, but it seems like no one can manage to change it. Why? In answering that question, I excavate the political dimensions of debt and detail a critical stage of the “life of a debt.” While this is but one case of debt enforcement, this case shifts the lens of indebtedness not just to credit distribution but to debt collection. It also begins to illustration how the American political economy of consumer credit requires a particular, uneven form of debt enforcement that profits off interest, fees, and fines of delinquent debt, not just the allocation of credit itself. This case can help us expand our theorizations of contracts and of the debtor-creditor relation. Links between racialized debt collection practices and racialized consumer

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