

March 23, 2020



1050 Fulton Avenue #120
Sacramento, California 95825
916.482.2462

The President
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

Dear Mr. President:

On behalf of the Receivables Management Association International (RMAI), the nonprofit trade association that represents more than 550 companies that purchase or support the purchase of performing and nonperforming receivables on the secondary market, I submit this letter to request the Administration consider our recommendations to support the receivables asset management industry's efforts to provide consumers the benefits of the industry's hardship programs.

RMAI's COVID-19 Response

RMAI's members are composed of debt purchasers, collection agencies, collection law firms and related service providers that employ tens of thousands of American workers. Approximately 270,000 Americans are employed as industry professionals who participate in the management of both performing and nonperforming receivables on the secondary market. Collectively, the industry works with approximately 70 million American consumers.

To work with American households during the COVID-19 National State of Emergency in a manner that treats them with dignity and respect, we are strongly encouraging all of our members to enhance their current hardship policy to provide temporary hardship relief from collections for consumers who advise that they are impacted by COVID-19. Specifically, we are encouraging our members to:

1. Temporarily suspend collection activities when a person demonstrates that he or she is experiencing significant financial hardship due to job loss or medical issues related to COVID-19. We are encouraging our members to honor written and oral requests from consumers for relief through their hardship policy;
2. Cease collection activities when they receive documentation indicating that the consumer's only source of income is from exempt sources, such as Social Security or Supplemental Security Income benefits, and that the consumer has access to no other assets;
3. Obtain consumer hardship contact information and recommend to any consumer who is experiencing a financial hardship due to COVID-19 that he or she reach out to the consumer support departments of the creditor, collection agency or collection law firm engaged with them to report that he or she is impacted by COVID-19 and request a temporary cessation of collection activities;
4. Upon learning of consumer hardship, help consumers in need who are directly impacted by COVID-19, either through illness or job loss, to understand their payment options,

maintain open lines of communications and extend temporary hardship assistance whenever possible;

5. Place collection holds with respect to the consumer, not only the account. In other words, suspend collections on all of the consumer's accounts, not just on an account-by-account basis; and
6. Work with and be sensitive to consumers who encounter unforeseen circumstances.

Our debt servicer members currently have hardship programs in place that enable trained debt collectors to provide more payment flexibility for the individual than the individual had with the originating creditor, which enables a debt owner to partner with an individual affected by the COVID-19 crisis and provide:

1. Extended payment plans with lower monthly payments;
2. A stop on accumulating interest; and
3. Favorable settlements of the consumer's account for less than the original balance.

We and our members take hardship issues seriously, both in times of national crisis and in times of personal crisis, which is why we implemented guidance on hardship programs long before the COVID-19 National State of Emergency. Through these programs, temporary and permanent suspension of collection activities are available for people who are unable to pay. For example, people who are recent widows or widowers, ill, no longer employed, victims of a natural disaster, incarcerated, disabled or those who are on active duty are eligible for a temporary or permanent hold on collections as well as flexible repayment plans. These hardship programs allow consumers facing short-term setbacks to recover and prevent continued collections for those facing permanent setbacks.

Support from the Administration to Facilitate Our Members' Response Efforts

To continue to provide consumers the hardship services they need during the COVID-19 National State of Emergency, RMAI and its members ask this Administration to:

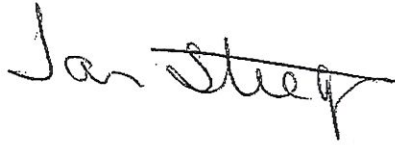
- In collaboration with industry, request the Bureau issue guidance and other regulatory relief regarding the collection of receivables during the COVID-19 National State of Emergency;
- Oppose legislative efforts by states and local governments that would create a patchwork of temporary measures related to the collection of debt or the reporting of accurate and complete information to credit reporting agencies during the COVID-19 National State of Emergency because such measures will cause confusion and the disparate treatment of similarly situated consumers;
- Oppose legislative proposals that would impose a moratorium or absolute ban on the collection of debt during the COVID-19 National State of Emergency; and

- Oppose legislation that would suspend the reporting of accurate and complete information about a consumer's account to a credit reporting agency during the COVID-19 State of National Emergency.

We believe these measures will help our members to continue to work with consumers during this national emergency.

During the COVID-19 crisis, we and our Members will continue to treat consumers with empathy, dignity, and respect, and we will continue to take significant measures to ensure that our businesses remain able to work with consumers. We are hopeful that your Administration will consider our recommendations.

Sincerely,

A handwritten signature in black ink, appearing to read "Jan Stieger". The signature is written in a cursive, slightly stylized font.

Jan Stieger
Executive Director
Receivables Management Association International

CC: The Honorable Lawrence Kudlow, Director, National Economic Council
The Honorable Kathleen Kraninger, Director, Bureau of Consumer Financial Protection