



March 25, 2020

Nadine Cohen, Esq.
Greater Boston Legal Services
197 Friend Street
Boston, MA 02114

Dear Ms. Cohen:

Thank you for your letter of March 18, 2020 urging action to alleviate the economic fallout caused by COVID-19. I am the CEO of a media company that influences the professional debt collection industry. In this capacity, I manage the Consumer Relations Consortium (CRC). Founded in 2013, the CRC is an industry working group that was founded on a commitment to proactive outreach to consumer groups. We have hosted numerous in-depth dialogues over the years, with the goal of bridging the gap of understanding between stakeholders in the consumer debt space. Everything we do is viewed through the lens of the knowledge we've gained from this interaction.

We truly appreciate your recognition that this is a difficult period for everyone, including the owners and employees of companies in the industry, who have also been hit hard by this crisis and face closure requirements, furloughs, and layoffs along with so many other Americans.

I'd like to share how the industry is working today to assist consumers during this unprecedented time.

I know that many of our constituents have already begun to implement measures, where appropriate, that include waiving late fees, suspending interest, temporarily suspending collection activities when a consumer advises that he or she has been impacted by COVID-19, adjusting outbound calling policies and procedures while remaining available for inbound inquiries, and other measures.

I also know that, in just the last week, professional debt collectors across the United States connected with millions of consumers concerned about their utility, banking, credit card, hospital, cell phone, student loan and other bills. Agents helped reduce consumer anxiety in many ways, such as changing upcoming payment arrangements, adjusting existing settlement agreements, assisting consumers who wanted to make payments in order to remain on track, and—of course—offering hardship pauses to those who need them.

Professional debt collectors and their creditor clients already have robust hardship measures in place to help those who have lost their income, and agents have been prepared to be especially sensitive in light of the current crisis. While many have been affected by illness or job loss, this is not true of all consumers. CRC members have always been committed to collecting the right amount from the right consumer in the right way. It has never been their policy to coerce funds out of an individual who simply cannot pay.

A flat out ban on all collection activity—while aiming to help those who recently became unemployed due to the virus—would cause hundreds of thousands of other Americans to join the unemployed ranks. The debt collection industry is made up of 70% women and 40% minorities, and also employs a greater percentage of individuals with a disability (7%) than are represented in the overall labor force (3.7%).¹

¹ ACA International, August 2016. *Small Businesses in the Collection Industry: An Overview of Organization Size and Employment*



Overall, there are better solutions than a one-size-fits-all ban. Professional collectors are trained to ask questions in a way that identifies a consumer's individual situation and to respond appropriately, as well as to uncover issues such as identity theft. They can be an important partner, especially during this unprecedented time.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephanie Eidelman". The signature is fluid and cursive, with a long horizontal stroke at the end.

Stephanie Eidelman
CEO, The iA Institute