

Dear Representative Name

The purpose of my communication with you today is to express my deep concern over the 3/18/2020 Proposed Legislative Responses to COVID-19 as presented by Chairwoman, Maxine Waters, the current proposed amendment to the Fair Debt Collection Practices Act introduced by Senator Sherrod Brown as well as any/every other legislative response that would completely, indefinitely or long-term prevent the collection of consumer debt as it would impact entire industries in addition to hundreds of thousands of employees and voters.

As a small business owner I appreciate and respect the intent and efforts that the government is looking to undertake to help the economy during the COVID-19 crisis; however **item number 5 Prohibit Debt Collection, Repossession and Garnishment of Wages During the Pandemic** under Protecting Consumers and Bolstering the Economy in Ms. Waters' proposal will effectively collapse the entire financial adjustment industry and force thousands of small to midsize repossession agencies and collection agencies to shut their doors, with the likelihood of being able to resume business after the pandemic virtually impossible. Employees in collection departments in banks, credit unions, captive financing, large scale auctions, used and new car dealerships and after market service providers will all be negatively impacted. **The estimated total number of individual employees in these industries account for hundreds of thousands of employees and voters.**

We understand the desire to protect consumers in the long run and understand why a ban on collection of consumer debt for a short period during the pandemic may be needed; but prohibiting those efforts for another 120 days after the pandemic ends in addition to the time during the pandemic will bring the financial adjustment community to an abrupt halt, forcing many small businesses that you are also trying to protect with some of these provisions, to shut down.

If Congress and the Senate were to ban all collection efforts on consumer debt, the proposed tax rebates and grants would do very little to support the continuation of the entire financial adjustment industry.

The repossession and collection industries and auto auctions are vital part of the lending process. Without the ability to collect or recover vehicles or other consumer debt in default, banks, credit unions, captive finance companies cannot and will not continue to loan funds to those people with other than stellar credit. A decision to ban repossession for this length of time will encourage lending institutions to only lend to those who they are beyond confident will be able to repay the loans. Our economy has just started coming out of a place where only

those with platinum level credit were able to receive funding – which put mid and low income consumers at a disadvantage. We do not need to go there again.

Beyond the impact on me as a small business owner and the impacts on my family, this decision will also harm my employees who will no longer be able to work. It will harm individuals who work for lending institutions in their collection departments, the auto auction industry, used car dealerships who depend on auctions for their used car inventory who get their vehicles from repossession activities, the new car auto industry as fewer loans will be made and fewer individuals will be able to purchase new cars and suppliers and laborers who provide after market parts and services. Service providers to these industries will also be impacted including accounting service providers and insurance providers. **To reiterate, the estimated total number of individual employees in the these industries account for hundreds of thousands of employees and voters.**

Again appreciating the need to keep the economy moving, I understand the desire to help the consumer, but eliminating the financial adjustment industry in doing that is short sighted and in the long run detrimental to the people you are most trying to help. I urge you please, to not support Ms. Waters' proposal or any proposal that would set out an extended period banning collection efforts on consumer debt.

Respectfully,