May 13, 2021

Representative Nancy Pelosi
Speaker of the House of Representatives
1236 Longworth House Office Building
Washington, DC 20515

Representative Kevin McCarthy
Minority Leader of the House of Representatives
2468 Rayburn House Office Building
Washington, DC 20515

RE: H.R. 2547, the "Comprehensive Debt Collection Improvement Act" (Waters), which includes:

HR 2540, the "Small Business Fairness Lending Act" (Velazquez)
HR 1491, the "Fair Debt Collection Practices for Servicemembers Act" (Dean)
HR 2498, the "Private Loan Disability Discharge Act" (Dean)
HR 2537, the "Consumer Protection for Medical Debt Collections Act" (Tlaib)
HR 1657, the "Ending Debt Collection Harassment Act" (Pressley)
HR 2572, the "Stop Debt Collection Abuse Act" (Cleaver)
HR 2628, the "Debt Collection Practices Harmonization Act" (Meeks)
HR 2458, the "Non-Judicial Foreclosure Debt Collection Clarification Act" (Auchincloss)

Dear Speaker Pelosi and Minority Leader McCarthy:

The 88 undersigned public interest, legal services, consumer, labor, and civil rights organizations write in support of HR 2547 and urge you to support this legislation when it comes up for a vote on May 13th.

Prior to the pandemic, the Urban Institute reported that more than 68 million adults in the U.S. had one or more debts in collection on their credit report, and consumer debt has continued to grow during the pandemic, reaching $14.56 trillion at the end of 2020.

Debt in collection can wreak havoc on consumers, subjecting them to harassing debt collection calls and potential lawsuits. Despite the enactment of the federal Fair Debt Collection Practices Act ("FDCPA") in 1977, debt collection remains a frequent source of complaints to the Consumer Financial Protection Bureau, Federal Trade Commission, and other state and federal agencies.

Data from the Urban Institute also show racial disparities in debt collection, with 39 percent of residents in communities of color with debt in collection compared to 24 percent of residents in white communities. These statistics highlight the fact that consumer protections for consumers with alleged debts in collection are also a racial justice issue.

Additionally, other groups may be particularly vulnerable to abusive debt collection practices including servicemembers, older consumers, and consumers with limited English proficiency.

To better protect vulnerable consumers, this bill would enact a wide variety of critical reforms, including:

- Prohibiting the use of confessions of judgment as an unfair credit practice that eliminate notice and the right to be heard;
- Prohibiting certain abusive collection practices directed at servicemembers, including threats to reduce rank or revoke security clearance;
- Requiring discharge of private student loans due to total and permanent disability;
- Prohibiting collection of medical debt for the first two years and credit reporting of debt arising from any medically necessary procedures;
- Requiring debt collectors to obtain consent before using electronic communications and provide written validation notices;
- Amending the FDCPA to expand and clarify coverage, including extending coverage for all federal, state, and local debts collected by debt collectors;
- Adjusting statutory damages in the FDCPA for inflation and indexing them to index for inflation in the future; and
- Clarifying FDCPA coverage for non-judicial foreclosures.

Enactment of H.R. 2547 will protect vulnerable consumers from abusive debt collection practices, and we thank the House of Representatives for considering legislation to address these important issues.

Please feel free to contact April Kuehnhoff at the National Consumer Law Center, akuehnhoff@nclc.org regarding this legislation.

Very truly yours,

Alaska PIRG
Americans for Financial Reform
Arizona PIRG
California Low-Income Consumer Coalition (CLICC)
CALPIRG
Center for Economic Integrity
Center for Responsible Lending
Colonel Paul E. Kantwill, USA (Ret.), Founding Executive Director, Loyola Rule of Law Institute, Loyola University Chicago School of Law
Color of Change
Communities United for Restorative Youth Justice
Community Legal Services of Philadelphia
ConnPIRG
Consumer Action

Consumer Federation of America
Consumer Reports
Consumers for Auto Reliability and Safety
CoPIRG
Demos
Equal Justice Under Law
Every Texan
Fines and Fees Justice Center
Florida PIRG
Friendship of Women, Inc.
Georgia PIRG
Georgia Watch
GLOBAL GREEN INITIATIVE
Housing and Family Services of Greater New York
HPPCARES
Illinois PIRG
Insight Center for Community Economic Development
Institute for Constitutional Advocacy and Protection
Iowa PIRG
Kentucky Resources Council
Lawyers' Committee for Civil Rights of the San Francisco Bay Area
Legal Action Chicago
Legal Aid Justice Center
Legal Aid Service of Broward County, Inc.
Legal Services Center of Harvard Law School
Long Island Housing Services, Inc.
Main Street Alliance
Maryland Consumer Rights Coalition
Maryland PIRG
MASSPIRG
Michigan League for Public Policy
Mississippi Center for Justice
Missouri Faith Voices
Mobilization for Justice
MontPIRG
MoPIRG
Mountain State Justice
National Association of Consumer Advocates
National Center for Access to Justice
National Center for Law and Economic Justice
National Consumer Law Center (on behalf of its low-income clients)
National Fair Housing Alliance
NCPIRG
New Jersey Citizen Action

New York Taxi Workers Alliance
NHPIRG
NJPIRG
NMPIRG
Ohio PIRG
Ohio Poverty Law Center
Oregon PIRG (OSPIRG)
PennPIRG
Pennsylvania Council of Churches
PIRG in Michigan (PIRGIM)
Public Citizen
Public Counsel
Public Good Law Center
Public Justice
Public Justice Center
Public Law Center
RIPIRG
South Carolina Appleseed Legal Justice Center
Student Borrower Protection Center
Texas Appleseed
TexPIRG
The Leadership Conference on Civil and Human Rights
Tzedek DC
U.S. PIRG
United Way of Massachusetts Bay and Merrimack Valley
Virginia Citizens Consumer Council
Washoe Legal Services
WASHPIRG
Western Center on Law & Poverty
WISPIRG
Woodstock Institute
WV Citizen Action

CC: Members of the House of Representatives