



March 19, 2020

The Honorable Donald J. Trump
President of the United States
The White House Washington, DC 20500

Dear President Trump:

On behalf of the National Creditors Bar Association (NCBA), we are writing in support of Administration and Congressional efforts to support consumers in the financial services marketplace during this difficult time for the country as a result of the coronavirus. NCBA represents approximately 500 law firms practicing creditors rights law throughout the United States. Almost all of our 500 member firms are small businesses representing more than 2,500 attorneys and 20,000 employees.

Consumer welfare depends on open and constant communication, and it is important to have policies that provide consumers with more options that will allow them to continue to access credit and services. This is critical due to the uncertainty about the length and severity of the economic impact related to the coronavirus.

NCBA is very concerned that certain lawmakers have suggested that eliminating the work our attorneys do to resolve legitimate debt obligations is a prudent action that should be taken in response to the coronavirus. We are deeply alarmed since such an action would disrupt the credit ecosystem, the practice of law, and cause further harm to consumers, lenders, medical providers, and other businesses throughout the country who rely on their attorneys practicing creditors rights law.

Unnecessarily ceasing or restricting communications between law firms and consumers has proven to lead to fewer choices for consumers and take the decision-making out of their hands. This is not the time to abandon consumers and leave them in the dark about how they can address outstanding obligations and pending court cases. NCBA attorneys also remain committed to all creditors, including small businesses, who are facing unprecedented challenges and disruptions to their operations.

Throughout their history, and particularly in times of financial distress, NCBA attorneys play a critical role in educating consumers about legal proceedings and ensuring that they can continue to access credit and services.

During this critical time, NCBA attorneys remain committed to helping consumers resolve their debt. Our attorneys are licensed by the highest court in their respective states and as such are compliant with the laws and obligated and bound by the ethics, rules and guidelines set forth in



those court systems. This commitment has been further demonstrated since the outbreak through industry-wide calls to action for compassion and empathy.

Additionally, NCBA attorneys and their creditors already have robust “hardship” programs in place to help consumers make arrangements that best suit their unique financial situation. These arrangements include staying legal proceedings, reduction in balances or monthly payment amounts, implementing temporary suspension of collection activities, and other amicable resolution tools for consumers directly impacted by hardships, including the coronavirus. These policies and ethical considerations include approaches for problem solving to help create accommodations to assuage consumers during difficult times.

In short, consumer harm can result in several ways when unpaid debt and pending court activity is not addressed, and NCBA attorneys play a critical role to help consumers understand, address, and improve their financial situations. Creditors may stop lending to the riskiest borrowers, which may include out-of-work, or low-income consumers, if there is uncertainty about the ability to collect since they must maintain safety and soundness and other liquidity requirements. As such, NCBA attorneys are in close communication with their creditor clients and court systems, who we are aware are looking at all of the affected parties’ needs on a case-by-case basis. We support these efforts to tailor programs to educate and support the individual needs of consumers with the compassion and respect they deserve in these trying unprecedented times.

Again, consumers need the information and guidance that NCBA attorneys provide to maintain their financial health and legal rights, and open communication can often lead to the most favorable outcome. We look forward to continuing our engagement with the Administration and Congress on behalf of the attorneys practicing creditors rights law and their clients.

Sincerely,

A handwritten signature in black ink, appearing to read "Liz Terry".

Liz Terry
Executive Director

A handwritten signature in black ink, appearing to read "Mark Groves".

Mark K. Groves, Esq.
President of the Board

CC:

The Honorable Kathleen Kraninger, Consumer Financial Protection Bureau
Chairman Michael Crapo, U.S. Senate Committee on Banking and Urban Affairs
Ranking Member Sherrod Brown, U.S. Senate Committee on Banking and Urban Affairs
Chairwoman Maxine Waters, U.S. House Committee on Financial Services
Ranking Member Patrick McHenry, U.S. House Committee on Financial Services