

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](mailto: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