TZEDEK DC
Legal Help for People in Debt

Before the Committee of the Whole
Council of the District of Columbia
Public Hearing Regarding Bill 24-357:
The Protecting Consumers from Unjust Debt Collection Practices Amendment Act of 2021
November 29, 2021
Testimony of Ariel Levinson-Waldman, Sarah Hollender, and A.J. Huber of Tzedek DC

Chairman Mendelson, Members of the Council of the District of Columbia, and Committee staff:

Thank you for your leadership and for the opportunity to provide testimony on the proposed bill, The Protecting Consumers from Unjust Debt Collection Practices Amendment Act of 2021. Thanks as well to Councilmember Cheh for co-sponsoring this bill with Chairman Mendelson, and to all of the members of the Council for unanimously passing the emergency and temporary versions of this legislation.

Drawing from the Jewish teachings of "*Tzedek, tzedek tirdof*," or "Justice, justice you shall pursue," and proudly headquartered at the UDC David A. Clarke School of Law, Tzedek DC's mission is to safeguard the legal rights of DC residents with lower incomes facing debt-related legal crises. Of Tzedek DC's clients, 90% are African American, 25% have a disability, a majority are women, and all are DC residents with low incomes. This testimony on behalf of Tzedek DC is submitted by team members Ariel Levinson-Waldman, President and Director-Counsel, Sarah Hollender, Associate Director, and A.J. Huber, Staff Attorney.[1]

Our submission —in strong support of this bill — has three parts. First, and as our comments at the November 29 hearing focus on, the bill, if enacted, will represent a critical step forward. The legislation promotes important access to justice and racial equity principles, as well as promoting the goal of a well-functioning civil justice system for DC residents facing debt collection.

Second, we provide for the record and assistance to the Committee a more detailed section-by-section recap of the as-introduced version of the legislation, and why its provisions are necessary to protect District residents.

[1] Tzedek DC's 2021-22 Ronald R. Glancz Avodah Jewish Service Corps Member Raphy Gendler also provided invaluable assistance in the preparation of the document.

Finally, we are available to assist the Committee during its upcoming markup-stage work, and to answer any questions.

I. The Bill's Reforms to DC's Debt Collection Rules Are a Critical Step Forward

Thank you for your support and passage of the various temporary laws that prevented creditors and debt collectors from filing new consumer debt collection lawsuits during the public health emergency and for 60 days after its conclusion and that limited certain communications related to debt collection. The debt collection moratorium provided District residents with much-needed breathing room during the financial crisis that accompanied the public health crisis resulting from the pandemic. Although it provided a helpful respite, it now means that a flood of debt collection lawsuits and other activity that was not permitted during the public health emergency is coming for District residents. The Act will protect consumers from unjust practices as debt collection activities resume in force in the District.

Notably, even if the pandemic had not happened, these reforms would be necessary and beneficial. In the years before the pandemic, debt collection lawsuits in the District spiked dramatically. For example, in 2017, there were 4,558 such cases, most of them filed in the Small Claims and Conciliation Branch of the DC Superior Court. By 2019, there were over 7,202 new debt collection case filings, an increase of 58%. Many defendants are in court for debts that, even when relatively small, nonetheless can have serious long-term impacts for the stability and access to credit for DC residents. This trend will only be amplified by the recent expiration of the debt collection moratorium.

The pandemic further exacerbated and laid bare what was already a massive racial gap in wealth in DC. Due to centuries of structural racism and unequal access to opportunities, as of the most recently available data from The Urban Institute, the statistically typical white DC household had more than 8,000% the amount wealth (net assets) of the statistically typical African American DC household.[2] The pandemic then caused mass unemployment for periods of time for many District residents, for many families increasing the risk of being further behind on bills and therefore more likely to face debt collection activities. Recent data shows that the average person with a debt in collections in DC has $1,592 of debt subject to collection, and over 36% of DC residents from communities of color have a debt in collections, more than five times the rate for white DC residents.[3]

[2] Urban Institute, *Debt in America: An Interactive Map*, Debt Delinquency (as of Nov. 10, 2021), available at https://apps.urban.org/features/debtinteractive-map/?type=overall&variable=pct_debt_collections&state=11.
[3] Id.

The harms are further compounded for disabled residents of color. According to a study conducted before the pandemic, 58% of disabled African Americans confirmed that they "probably or certainly" could not come up with emergency funds for an unexpected debt as compared to 28% of white able-bodied residents who did not have emergency funds.[4] This same study reports that disabled individuals are more likely to experience unexpected drops in income and are more than twice as likely to find it "very difficult" to cover life expenses. Disabled individuals are also more likely to carry medical debt and experience increased medical costs.

The end of the moratorium, the prior trends of increased lawsuit activity, and the economic hardships caused by the pandemic all point toward a significant increase of debt collection lawsuits and other activities coming for District residents.

And the human toll of debt collection stress must be centered in the Council's consideration. Take, for example, Tzedek DC client Cheryl Gregory. Contacted by a debt collector who was "very persistent that she was going to lose everything," Ms. Gregory feared she would become homeless.[5] Ms. Gregory, a DC resident and single mother, was threatened by a debt collector that demanded she sign an agreement to pay old debts (including amounts above what she owed) and threatened to have a federal marshal come to her house and evict her from her public housing unit. "I was at work when I was talking to [the collector]," Ms. Gregory said. "I do home care, and the family member realized that something was wrong. I cried at work. I cried on the way home and almost got into an accident. I was scared I was going to lose everything."

In light of these debt collection harms and risks, we are particularly grateful for the protections that Attorney General Racine, Chairman Mendelson, Councilmember Cheh, and colleagues have championed, and that the Council has adopted in the emergency and temporary versions of the legislation. These temporary laws have provided key consumer protections for District residents, and it is critical that in core substance they be reflected in our DC code going forward. Among the many important things the bill will do to improve DC's debt collection laws, it:

- Expands the scope of the District's debt collection laws to cover the most common types of debts in collection, like medical debt and credit card debt.

[4] Nanette Goodman, Bonnie O'Day and Michael Morris, *Financial Capability of Adults with Disabilities*, National Disability Institute (2017), available at https://www.nationaldisabilityinstitute.org/wp-content/uploads/2019/01/ndi-finra-report-2017.pdf
[5] Nick Minock, *D.C. Attorney General's office protects residents against aggressive debt collectors*, WJLA News (July 14, 2021), available at https://wjla.com/news/local/dc-attorney-generals-office-protects-residents-against-aggressive-debt-collectors.

- Strengthens anti-harassment provisions, for example by stopping debt collectors from making calls to residents at unreasonable hours and with unreasonable frequency.

- Requires debt collectors to have basic proof backing up of their claims of debts owed by District residents before they engage in debt collection and debt collection lawsuits; and

- Provides key limits to punitive actions that can be taken against DC residents, for example by capping attorneys' fees and by placing important limits on when District residents sued in a debt collection case can ever be subjected to arrest.

The U.S. Department of Justice and the U.S. National Science Foundation have noted that "the greatest threat to the consumer protection system is debt collection. Every day, court dockets are filled with debt collection cases that end in default judgements. This reality affects people's belief in the fairness of the justice system."[6]

Through this bill, the Council has the opportunity to enhance the reality and the perception concerning the fairness of the dispute resolution system for DC residents struggling with debt. Thank you for the opportunity to share our views, and we are available to answer your questions and assist the Committee in this important work.

[6] U.S. Department of Justice and Office for Access to Justice with the National Science Foundation: *White House Legal Aid Interagency Roundtable: Civil Legal Aid Research Workshop Report* (Feb. 2016) at 23 (citing testimony of Ira Rheingold, Executive Director of the National Association of Consumer Advocates,) available at https://www.justice.gov/lair/file/828316/download

II. Section-by-Section Analysis

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Subsections (a) and (b): Definitional and Scope Changes

Subsections (a) and (b) of the District's debt collection law, D.C. Code § 28-3814 (the "Debt Collection Law"), address the scope of the law and the definitions of key terms contained in the law. The Act amends those provisions in important ways.

Most significantly, the Act expands the scope of the Debt Collection Law from only applying to certain "consumer credit sales, consumer leases, and direct installment loans" to now include any "consumer debt," broadly defined as "money or its equivalent, or a loan or advance of money, which is, or is alleged to be, more than 30 days past due and owing, unless a different period is agreed to by the debtor, as a result of a purchase, lease, or loan of goods, services, or real or personal property for personal, family, medical, or household purposes."

The District's current Debt Collection Law is obsolete and has been for decades. It was enacted almost 50 years ago, at a time when most credit was extended directly by sellers in what are generally referred to as retail installment sales. In addition to those sales, the law also applies to consumer leases and direct installment loans. Those credit transactions – each involving direct financing by the seller, lessor, or lender – are the only types of debt to which the current law applies. *See* D.C. Code § 28-3802 (definition of "consumer credit sale" and limiting § 3814 to sales in which "credit is granted by a person who regularly engages as a seller in credit transactions of the same kind"). Today, however, the vast majority of debt collection in the District involves credit card debt and other forms of third-party-financed purchases of goods and services, none of which is covered by the current Debt Collection Law. The currently pending Act would modernize the scope of the Debt Collection Law by applying its protections more broadly to "any consumer debt," including, importantly, medical debt for the first time.

Especially given the effects of the pandemic, it is important for the Act to specifically cover medical debt. "In 2016, 26% of U.S. adults ages 18-64 said they or someone in their household had problems paying or an inability to pay medical bills in the past 12 months."[7] Moreover, 37% of people with incomes under $50,000 reported problems paying medical bills.[8] In 2019, one in six Americans had medical debt in collections.[9] This broadening of the scope of Debt Collection Law brings the law into the 21st Century and helps protect consumers facing medical debt collection. Medical debt collection, like other forms of debt collection, especially targets communities of color: 4.4% of all households and 6.2% of Black households carry unaffordable medical debt. Furthermore, people without insurance — a disproportionate number of whom are

[7] The Henry J. Kaiser Family Foundation, *The Burden of Medical Debt: Results from the Kaiser Family Foundation/New York Times Medical Bills Survey*, at 1 (Jan. 2016), available at https://www.kff.org/wp-content/uploads/2016/01/8806-the-burden-of-medical-debt-results-from-the-kaiser-family-foundation-new-york-times-medical-bills-survey.pdf
[8] Id.
[9] Marshall Allen, *Never Pay the First Bill: And Other Ways to Fight the Healthcare System and Win*, Penguin Random House (2021) at 60

people of color — are more likely to owe medical debt.[10] "Medical debt is the primary reason people are contacted by creditors," and rising healthcare costs over the last several decades have subjected more people to go into unavoidable consumer debt.[11]

Medical debt also disproportionately impacts disabled people, and especially disabled people of color. According to a 2017 study by the National Disability Institute individuals with disabilities are "twice as likely to have past due medical bills...and much more likely to forgo medical care because of costs."[12] In general, those with disabilities have a more frequent use of medical care and often an increased need for a range of services or equipment that may not be covered or fully covered by insurance which results in higher health care expenditures and higher out-of-pocket costs.

Ascension Health, one of the largest private health systems in the country, presents a clear example of the devastating effects of medical debt collection. The company was the subject of a 2018 lawsuit for efforts to shut down its DC operations and contribute to continued unequal access to health care. More recently, an investigation found that Ascension is operating like a private equity fund, and previously engaged in illegal debt collection practices. "Their first joint investment poured $200 million into an embattled debt collection and billing company. Prior to the Ascension and TowerBrook investment, the company had been accused of illegally trying to collect money from patients, including when they were still in the emergency room. Ascension signed a long-term contract with the company, too, which buoyed the company's finances. In April [2021], minority shareholders in the company, R1 RCM, filed a lawsuit accusing Ascension and TowerBrook of teaming up to extract $105 million years before they were supposed to."[13] This makes it clear that large medical facilities like Ascension are contributing to a system in which people are targeted by debt collectors and made vulnerable by both the health care and debt collection industries. Stories of patients being illegally targeted for money that they do not owe, or for funds protected from collection prove the need for an updated and stronger law that specifically includes medical debt in the definition of consumer debt subject to collection regulations.

[10] Andre M. Perry, Carl Romer and Nana Adjeiwaa-Manu, *The racial implications of medical debt: How moving toward universal health care and other reforms can address them*, Brookings (Oct. 5, 2021), available at https://www.brookings.edu/research/the-racial-implications-of-medical-debt-how-moving-toward-universal-health-care-and-other-reforms-can-address-them/

[11] *A Financial Security Threat in the Courtroom: How Federal and State Policymakers Can Make Debt Collection Litigation Safer and Fairer for Everyone*, Aspen Institute (Sept. 2021), available at https://www.aspeninstitute.org/wp-content/uploads/2021/09/ASP-FSP_DebtCollectionsPaper_092221.pdf

[12] Nanette Goodman, Bonnie O'Day and Michael Morris, *Financial Capability of Adults with Disabilities*, National Disability Institute (2017), available at https://www.nationaldisabilityinstitute.org/wp-content/uploads/2019/01/ndi-finra-report-2017.pdf

[13] Rachel Cohrs, *The Catholic hospital system Ascension is running a Wall Street-style private equity fund*, STAT+ (Nov. 2021), available at https://www.statnews.com/2021/11/16/ascension-running-wall-street-style-private-equity-fund/.

In addition to medical debt, credit card debt falls into the updated definition of consumer debt. Especially for families forced into borrowing by the financial crisis brought upon by COVID-19, credit card debt is a major source of consumer debt.[14]

The other changes in subsections (a) and (b) of the Debt Collection Law are relatively minor. For example, new definitions for "debt buyer," "person," and "public health emergency" have been introduced because those terms are used in the other amendments described below. Another edit is that the definition of "creditor" has been expanded to include not only people who hold valid claims but also people who allege to hold valid claims so that debt collectors cannot avoid application of the Debt Collection Law when they try to collect invalid debt that they allege is valid.

Subsections (c) through (g): Anti-Harassment Changes

Subsections (c) through (g) of the Debt Collection Law prohibit various actions in connection with debt collection: threats, coercion, attempts to coerce, oppression, harassment, abuse, unreasonable publication of indebtedness in such a way as to harass or embarrass, use of unfair, fraudulent, deceptive, or misleading representations, and other unfair or unconscionable means to collect a debt. Debt collection lawsuits and associated unfair practices disproportionately target communities of color.[15] Creditors call borrowers of color nearly twice as often as white borrowers, despite similar default and late payment rates.[16]

The Act clarifies that the examples of insidious actions that the Debt Collection Law provides are not exhaustive. That change will protect consumers, for example, from debt collectors who make fraudulent representations to convince them to pay but whose actions would not otherwise fall under one of the examples provided in the statute.

The Act also edits the existing examples and provides additional examples of actions that are not permissible.

Subsection (c)

In subsection (c), the Act adds three new examples.

[14] See, e.g. Paul Kiel and Jeff Ernsthausen, *Capital One and Other Debt Collectors Are Still Coming for Millions of Americans*, ProPublica (June 8, 2020), available at https://www.propublica.org/article/capital-one-and-other-debt-collectors-are-still-coming-for-millions-of-americans

[15] Paul Kiel and Annie Waldman, *The Color of Debt: How Collection Suits Squeeze Black Neighborhoods*, ProPublica (Oct. 2015), available at: https://www.propublica.org/article/debt-collection-lawsuits-squeeze-black-neighborhoods.

[16] *Financial Capability in the United States, 2016*, Finra (July 2016), available at: https://gflec.org/wp-content/uploads/2016/07/NFCS_2015_Report_Natl_Findings.pdf

First, it states that debt collectors may not threaten to take actions that they cannot legally take or that they do not in the usual course of business in fact take. Such actions are extortionate, and debt collectors should not be able to use such extortion to collect debts.

Second, it states that debt collectors may not disclose information about a debt that has been disputed by the consumer without also disclosing the fact that it is disputed. This protection is important for consumers because debt collectors generally control the flow of information about these debts, for example when it comes to credit reporting, and when consumers dispute a debt, that fact is relevant to users of such information and may serve to protect the consumer from adverse inferences by those users.

Lastly, the Act states that a debt collector may not disclose information affecting the consumer's reputation for credit worthiness with knowledge or reason to know that the information is false. Again, it should be self-evident that the law should not allow debt collectors to lie to collect a debt. Credit reports play an important role in access to housing, employment, and transportation. Because credit information affects daily life and the ability to have an income, lying about credit reports or making threats about false creditworthiness should not be allowed.

The provision preventing collectors from sharing false information is important from a racial justice standpoint. The CFPB has shown that Black and Hispanic people are more likely to have credit report disputes: "Families living in majority Black and Hispanic neighborhoods are far more likely to have disputes of inaccurate information appear on their credit reports," said CFPB Director Rohit Chopra. "Error-ridden credit reports are far too prevalent and may be undermining an equitable recovery."[17]

Subsection (d)

In subsection (d), the Act adds one new example in that it prohibits debt collectors from communicating with the consumer or any member of the consumer's family or household in such a manner that can reasonably be expected to abuse or harass the consumer, such as by calling more than three times per week.

Based on an extensive survey of DC residents published in 2016, almost half of the residents with lower incomes surveyed reported problems with debt—and of the survey participants with debt-related problems, the most common problem cited (31%) was receiving calls from debt collectors.[18] Receiving constant phone calls from debt collectors can put significant emotional

[17] *CFPB Finds Credit Report Disputes Far More Common in Majority Black and Hispanic Neighborhoods*, CFPB (Nov. 22, 2021), available at https://www.consumerfinance.gov/about-us/newsroom/cfpb-finds-credit-report-disputes-far-more-common-in-majority-black-and-hispanic-neighborhoods/

[18] DC Consortium of Legal Service Providers, The Community Listening Project (2016), available at www.lawhelp.org/dc/resource/community-listening-project.

strain on alleged debtors, especially individuals dealing with the devastating impact of medical debt.

For example, Tzedek DC client Virginia Woodfin, is a Ward 5 retiree. As Ms. Woodfin recalls, following a difficult chapter for her family: "I began to fall behind on my credit card debt, even with my best efforts to make the payments. It was never a matter of not wanting to pay off my debt. I just did not have the means to do so. Despite my best efforts the debts continued to build, and my husband refused to be of any assistance. I am now facing two separate court cases in which my lender is demanding a total of over $13,000. Before the pandemic, on numerous occasions I received threatening calls and voicemails from unidentified debt collectors who demanded that I pay my debt. These calls all left me overwhelmed, fearful, and dismayed."

Ms. Woodfin's testimony to this Council incudes her urging: "I believe this bill will be beneficial to all people being negatively impacted by the harassment of debt collectors, and I support it fully. I hope that you will do everything in your power to make this happen."

The amendment to subsection (d) takes important steps to address harassment concerns, while still affording debt collectors ample opportunities to call residents and thus striking a healthy balance.[19]

Subsection (e)

Subsection (e) makes two important amendments.

First, the Debt Collection Law previously prohibited the communication of "false" information about a debt to a debtor's employer unless such indebtedness was guaranteed by the employer, the employer requested the loan giving rise to the indebtedness, or such communication was in connection with an attachment. The Act makes clear that even where those exceptions apply, debt collectors may not communicate "false" information.

Second, the Debt Collection Law previously could be read to arguably allow a debt collector to share false information about a debt with a debtors' friends, neighbors, and household members. The Act now prohibits debt collectors from sharing false information with those people.

[19] One national bank expressed the concern to Tzedek DC that this new rule only allowing them to call debtors three times per week would be difficult to implement because their bank is made up of numerous entities, and their car loan subsidiary, for example, might not know how many times their credit card subsidiary has called the consumer that week. To the extent that the debts are held by different corporate entities, then each entity would be a separate "debt collector" under this law, which means each entity would be permitted three calls per week. Meanwhile, if they are not separate entities, then there is no reason why they could not share information about calls made per week. If the Council nonetheless finds those arguments persuasive, the proper remedy would be to amend the subsection to allow three calls per week per debt, as opposed to exempting certain debt collectors from this requirement or deleting it entirely.

Subsection (f)

The Act provides one substantive edit and two new examples to subsection (f).

The substantive edit is that the Act requires a debt collector to provide the phone number and email address of the person to whom a claim has been assigned for collection. Email addresses did not exist at the time the Debt Collection Law was passed, and formal correspondence in that era was typically by mail. This important change modernizes the law to require debt collectors to provide other forms of communication with debtors so that debtors may communicate quickly and efficiently with debt collectors. This is especially important given debt collectors' relatively new practice of contacting alleged debtors by text message and social media. "Among some of the updates made by the [2020 updated] rules, the CFPB explicitly says debt collectors can send text messages, emails, and direct messages on social media platforms to consumers."[20] Many consumers might be concerned that such informal forms of communication are scams, so it is important that they have other means to contact those debt collectors to confirm that they are not victimized.

The first new example concerns the statute of limitations. The Act prohibits debt collectors from filing lawsuits to collect a consumer debt when they know or should know that the statute of limitations has expired. The provision elevates the statute of limitations from an affirmative defense for a consumer to a potential counterclaim that includes a statutory penalty and attorneys' fee shifting. This will deter debt collectors from filing lawsuits in which they know their claims are invalid but hope that the defendants – particularly unrepresented ones – will inadvertently fail to raise and thereby waive a defense under the statute of limitations.

The second new example concerns exempt funds. The Act prohibits debt collectors from seeking to collect funds from a consumer that it knows or has reason to know are exempt from attachment or garnishment. Many people who rely on government benefits like Social Security Retirement or Disability Insurance are unaware that those benefits are protected from garnishment. This provision prevents debt collectors from tricking alleged debtors into giving over those exempt funds and allows individuals to keep the money they need for necessities. Wage garnishments can have devastating effects, including causing people to leave their job altogether, and garnishments affect a large chunk of the population.[21] When the pandemic paused evictions and student loan collections, creditors turned to wage garnishment. "One of the most aggressive and common forms of debt collection has generally been allowed to continue: seizure of wages for old consumer debts."[22]

[20] Megan Leonhardt, *Here's why your next text or DM may soon be from a debt collector*, CNBC (Nov. 2020), available at: https://www.cnbc.com/2020/10/30/why-your-next-text-or-dm-may-soon-be-from-a-debt-collector.html.
[21] Paul Kiel, *Unseen Toll: Wages of Millions Seized to Pay Past Debts*, ProPublica (Sept. 15, 2014), available at at https://www.propublica.org/article/unseen-toll-wages-of-millions-seized-to-pay-past-debts .
[22] Kiel and Ernsthausen, *Capital One and Other Debt Collectors Are Still Coming for Millions of Americans*

Subsection (g)

The Act's amendment to subsection (g) prevents debt collectors from attempting to collect debts owed by a deceased consumer from a person with no legal obligation to pay the amounts alleged to be owed.

As with the protection for exempt income, many people who have recently lost a loved one do not know whether or not they are legally obligated to pay their loved one's debts. The amendment puts the burden on the debt collector to make that determination before attempting to collect, for example, by checking to see if the person it is attempting to collect from was a cosigner on the original debt. Family members should not have to deal with abuse from debt collectors on top of mourning the loss of a loved one, and creditors' rights to seek compensation from a decedent's estate will be preserved.

Subsections (j), (t), and (u): Enforcement Changes

The Act's amendments to subsections (j), (t), and (u) all relate to the enforcement mechanisms for the statute.

Subsection (j)

Prior to the Act, the only enforcement provision in the Debt Collection Law was subsection (j), and its language only applied to the "foregoing subsections of this section," thereby – seemingly inadvertently – not explicitly covering the subsequent subsections of the section, like (k), which prohibits debt collection communications made before 8 a.m. or after 9 p.m. and the prior debt collection moratorium. The Act eliminates this gap in subsection (j) and also allows debtors to recover proximate damages for violations regardless of whether violations are willful.

Subsection (t)

More significantly, subsection (t) provides that if a debt collector seeks to obtain a judgment or order against a debtor in a debt collection action and has not complied with the requirements of the Debt Collection Law, the court shall dismiss the action with prejudice. This puts debt collectors on notice that they must comply with the Debt Collection Act. Before, they only had to pay damages for "willful" violations, so long as they put forth some level of effort toward compliance and could therefore argue that any violations were merely negligent, they did not need to worry about complying with all of the Debt Collection Law's requirements. However, the Act would make clear that violations can lead to their case being dismissed, with prejudice. By providing a consequence for non-compliance, the Act incentivizes debt collectors to ensure that they are in substantial compliance.

Subsection (u)

Relatedly, subsection (u) says that if a debt collector violates the Debt Collection Law, the debt collector may be liable to the consumer for actual damages, costs and reasonable attorneys' fees, punitive damages, and statutory damages of $500 to $4,000. These damages and fee shifting are necessary to incentivize consumers and consumers' lawyers to enforce the statute. Without statutory damages, most consumers would not hire a consumer lawyer to pursue a claim because their damages – for example from a debt collector calling them an excessive number of times – can otherwise be difficult to calculate and could lead to awards of nominal damages that does not compensate them for their time in enforcing the violation. Similarly, without fee shifting, most consumer lawyers would not bring these claims because most consumers cannot afford to pay attorneys' fees to pursue a claim. Together, however, they create a private right of action that can be meaningfully used to enforce the Debt Collection Law and, also importantly, can help encourage productive resolution of disputes by counsel without resort to litigation.

Subsections (l) and (o): Statute of Limitations Changes

The Act creates new subsection (*l*) and (o) to make the operation of the statute of limitations for debt collections claims fairer for consumers.

Subsection (*l*)

Subsection (*l*) addresses the issue of "zombie" debts: cases where debt collectors trick consumers into making small payments that have the effect of restarting the statute of limitations on a debt that otherwise would have been past the three-year cutoff. Creditors know that a payment can revive a debt, but most debtors do not, allowing debt collectors to convince debtors to make a small payment and restart the three-year clock. Texas and Washington have adopted similar laws to address the issue of zombie debts.[23] New York very recently adopted a similar measure to ban zombie debts.[24] Although debt collectors can still try to collect debt that is past the statute of limitations under the Debt Collection Law as amended by the Act, subsection (*l*) makes clear that such payments or other statements by the debtor will not bring the debt collector's legal claim back to life.

Subsection (o)

The Act also creates a new subsection (o) that says that any action to collect a consumer debt must be filed within 3 years of accrual, regardless of the legal theory on which the claim is

[23] Renae Merle, *Zombie debt: How collectors trick consumers into reviving dead debts*, Wash. Post, (Aug. 7, 2019), available at https://www.washingtonpost.com/business/2019/08/07/zombie-debt-how-collectors-trick-consumers-into-reviving-dead-debts/
[24] Kevin Thomas, *Governor Hochul Signs Consumer Credit Fairness Act Into Law*, The New York State Senate, (Nov. 9, 2021), available at https://www.nysenate.gov/newsroom/press-releases/kevin-thomas/governor-hochul-signs-consumer-credit-fairness-act-law and https://legislation.nysenate.gov/pdf/bills/2021/S153 at 2

based and regardless of whether the contract was labeled "under seal." Previously, the statute of limitations for a consumer debt varied based on this theory. While most consumer debt already had a statute of limitations of three years, others had limitations periods of four years or six years. *Compare* D.C. Code §§ 12-301(a)(7)-(8) (three years for contracts and any claims for which a statute of limitations is not provided), *with* D.C. Code §§ 28:2-725 (four years for contracts for sale), *and* 28:3-118 (six years for promissory notes). The most extreme example relates to contracts that are "under seal." Under a DC law that has not been amended since it was first passed in 1963, if the words "under seal" are placed near the signature line on a contract, the statute of limitations for a breach of contract claim is 12 years instead of three years. In our experience, few consumers understand this archaic distinction, which leads them unknowingly into agreeing to a nine-year extension of the statute of limitations. The Act simplifies and clarifies the rules and takes that artifice out of creditors' playbooks, and says, simply, that for consumer debts, the statute of limitations is three years. It also helps DC sync up with peer state jurisdictions in this positive respect. Alaska, New Hampshire, North Carolina and South Carolina all have shortened the statute of limitations on debt collection cases to three years, and six states have made it illegal or impossible to file a collection suit after the statute of limitations has expired.[25]

Subsection (m): Pre-litigation Substantiation Changes

The Act creates new subsection (m), which requires debt collectors to verify the details of the debt before trying to collect it and to offer to share those details with the debtor before attempting to collect the debt. In particular, the Act states that debt collectors must have the following five basic documents or pieces of information:

1. Debt collectors must know who the debt was originally owed to and who owns the debt now. Consumers have a right to know who they are dealing with and how they allegedly incurred the debt that is being collected, and the Act requires that the debt collector do that basic due diligence prior to collecting or suing.
2. Debt collectors must know the last account number with the original creditor. Many consumers have multiple accounts with a single creditor, so if a debt collector cannot tell the debtor what the account number is, such a consumer would have no way of knowing which account is being collected.
3. Debt collectors must have a copy of the signed contract, signed application, or other documents showing the consumer's liability and the terms thereof. Debt collection disputes typically boil down to an issue of breach of contract in that the debtor allegedly

[25] *A Financial Security Threat in the Courtroom* at 21

failed to pay an amount owed under the contract. If the debt collector does not know the terms of that contract, it should not be able to enforce that contract.

4. Debt collectors must know the date and amount of the last payment by the consumer, if any. This is important because it can impact when the three-year statute of limitations begins to run, and therefore how long the debt collector has to file a lawsuit. It is also important in identifying how long it can be reported to credit reporting agencies because the Fair Credit Reporting Act allows debts to reported for seven years after default.
5. Debt collectors must know how the debt is broken down between principal, interest, fees, and other charges and who imposed any interest, fees, or charges. This is important because it allows the consumer to verify that all of the interest, fees, or charges are appropriate and that none of them violate the District's usury laws.

The debt collector's first written communication with the debtor must inform the debtor of their right to request the above information and provide the debt collector's contact information. If the debtor requests the information, the debt collector must provide it within 15 days. These requirements are particularly important for debts that are no longer owned by the original creditor because debt buyers often do not have documentation for the debt (e.g., contract, payment records) and therefore sometimes try to collect debts from the wrong consumer or seek the wrong amount. This should curb the common occurrence of consumers being contacted to pay debts that are not theirs.[26]

This provision shifting the burden of documenting to debt collectors also protects consumers by requiring debt collectors to have information about the debt before taking steps to collect.[27] Consumers deserve to know why a debt collector is contacting them and the details of the debt in question, especially since the most common debt collection-related disputes are cases in which debt buyers try to collect a debt from an individual that the individual does not owe.[28]

Subsection (n): Settlement Agreement Changes

The Act also includes important protections regarding settlement agreements and payment plans. It is common for debt collectors to negotiate payment plans or settlements with debtors by phone. There is nothing wrong with that practice, which tends to be more efficient for both the debt collector and the debtor than mailing letters back and forth. However, a common

[26] Office of the Minnesota Attorney General, *When Debt Collectors Come Calling and You Don't Owe the Money*, available at https://www.ag.state.mn.us/consumer/publications/WhenDebtCollectorsComeCalling.asp.
[27] Robert J. Hobbs, April Kuehnhoff and Chi Chi Wu, *Model Family Financial Protection Act*, National Consumer Law Center (Oct. 2020), at 15, available at https://www.nclc.org/images/pdf/debt_collection/model_family_financial_protection_act.pdf
[28] *A Financial Security Threat in the Courtroom* at 21

problem that arises is that those payment plans or settlements are never reduced to writing, which often leaves the parties with conflicting beliefs about the terms of their agreement.

To resolve that issue, the Act requires debt collectors to provide written copies of payment schedules or settlement agreements within seven days of when they are agreed to by the consumer. Moreover, debtors are not required to make payments under those payment schedules or settlement agreements until they are provided a copy. Together, these provisions will provide clarity to consumers and help prevent misunderstandings or mischaracterizations of the terms of agreements.

Subsections (p) through (s): Litigation Substantiation Changes

The Act creates new subsections (p) through (s), each of which includes provisions to make debt collection lawsuits fairer. The Act is important for fairness because it includes evidentiary requirements that must be met for a debt collector to file a case, win a judgment against a consumer, or collect on a debt. This is especially significant for unrepresented defendants, as it means that the burden is on the debt collector, not the individual without a lawyer, when it comes to the issue of whether the complaint is properly substantiated.

Subsection (p)

A common problem in debt collection lawsuits is that the plaintiff assumes that the defendant has not moved since allegedly defaulting on the debt. The court rules then allow the plaintiff to serve the defendant by "leaving a copy of [the court papers] at the individual's dwelling or usual place of abode with someone of suitable age and discretion who resides there." D.C. Super. Ct. Civ. R. 4(e)(2)(B); D.C. Super. Ct. Sm. Cl. R. 4(e)(2)(B). Using that rule, the plaintiff's process server then serves whoever happens to be living at the address that the defendant previously lived at. The defendant then never learns about the lawsuit, and the Court enters a default judgment against the defendant. The first time the defendant then learns about the lawsuit is when the plaintiff files a bank account or wage attachment. The defendant then must convince the Court that they were never served in order to vacate the default judgment and stop the attachment.

This burden on defendants requires individuals to navigate a complex legal system, usually without an attorney. "Research indicates that in American debt collection litigation, the balance of power is heavily weighted against individuals. To be clear, this is not simply due to bad actors in the debt collection industry, though there are those who abuse the system to their benefit. Multiple studies have shown that more than 70 percent of debt collection lawsuits end in rulings against the individual simply for failing to respond to the filing of the lawsuit (i.e., "default judgments") in the studied jurisdictions. This is despite the fact that the individuals being sued may have legitimate defenses. It is these systemic biases against individuals that are

the root of the uneven playing field that is our debt collection litigation system." Default judgments often occur because "practical realities of the defendant's life may cause them to not respond. Lack of information, intimidation, childcare needs, and inability to take off work all help explain why many defendants do not show up to defend themselves in debt collection lawsuits. These situations lead to judgments based not on the case's merits but based on the defendant's lack of response. "Despite the lack of proof or scrutiny, a default judgment carries the same weight and enforcement power as a ruling granted after a trial."[29]

The new subsection (p) seeks to prevent this problem by requiring plaintiffs in debt collection cases to conduct a reasonable investigation to verify the defendant's current address for service of process before filing a lawsuit. Hopefully this will result in fewer default judgments and greater participation in cases by District residents so that cases can be resolved on their merits or the parties can reach mutually agreeable resolutions, rather than continuing with a process that issues default judgments "with alarming automaticity and speed, without asking for evidence in support of the claims or scrutinizing the allegations in any way."[30]

Subsection (q)

The Act creates a new subsection (q) that requires plaintiffs in debt collection lawsuits to provide the Court and the defendant with adequate information about the debt so that their claims can be meaningfully reviewed. In particular, it requires the following:

1. The plaintiff must include a copy of the signed contract, signed application, or other documents that provide evidence of the consumer's liability. It should be uncontroversial that the terms of the contract must be included in a breach of contract lawsuit about a consumer debt, yet in many cases, plaintiffs simply attach credit card statements. If the parties signed a contract, the terms of that contract govern their dispute, and plaintiffs should not be allowed to sue on breach of contract claims without producing the contracts at issue.
2. The plaintiff must include a short and plain statement of the type of consumer debt. This simply conforms the Code to what is already required by the Small Claims and Conciliation Branch Court Rules, which state, "The statement of claim must contain a

[29] "A Financial Security Threat in the Courtroom," Aspen Institute, Sept. 2021, accessible at https://www.aspeninstitute.org/wp-content/uploads/2021/09/ASP-FSP_DebtCollectionsPaper_092221.pdf

[30] *Rubber Stamp Justice: US Courts, Debt Buying Corporations, and the Poor*, Human Rights Watch (Jan. 20, 2016), available at https://www.hrw.org/report/2016/01/20/rubber-stamp-justice/us-courts-debt-buying-corporations-and-poor (noting that default judgments are unjust and punish defendants for what are often failures on the part of plaintiffs); *see also* Joyce Rice and Kevin Moore, *How debt can lead to prison*, Vox (March 26, 2021), available at https://www.vox.com/the-highlight/22327700/debt-prison-debtors-unpaid-bills (95% of default judgments work in favor of debt collectors).

simple but complete statement of the plaintiff's claim . . .” D.C. Super. Ct. Sm. Cl. R. 3(a)(2).

3. The plaintiff must include the information enumerated in subsection (m)(1) that debt collectors are required to have before attempting to collect debts and must offer to provide to debtors, like the identities of the original creditor and current owner, the date the debt was incurred, and the date of last payment. That information will allow the Court and the defendant to determine if the proper plaintiff is suing and whether the lawsuit is within the statute of limitations.
4. The plaintiff must explain the basis for any interest or fees charged. Often the amount of interest and fees exceeds the underlying principal, which leaves consumers frustratedly guessing at why the alleged debt is so much larger than they remember. This would require plaintiffs to explain that to consumer up front.
5. The plaintiff must explain the basis for a request for attorneys' fees. This change also simply codifies what is already required by the Small Claims and Conciliation Branch court rules, which require that the plaintiff's attorney "provides to the court the instrument or agreement on which the claim for attorney's fees is based" before an award can be made. D.C. Super. Ct. Sm. Cl. R. 18(a)(1).
6. The plaintiff must state that it currently owns the debt and provide a list of all prior owners of the debt and the date the debt transferred ownership. Consumer debt is often sold and resold in bulk. This requires plaintiffs to show that there is an unbroken chain of ownership from the original creditor to the plaintiff such that the plaintiff has legal standing to sue for the debt.
7. Last, the plaintiff must state that the lawsuit is filed within the applicable statute of limitations. In general, the statute of limitations is an affirmative defense that a defendant waives if the defendant does not timely raise it. The Act, however, shifts the burden to the plaintiff in a consumer debt collection case to state that the debt is within the statute of limitations. This will protect *pro se* parties – of which there are many in consumer debt collection cases – who might not have otherwise known that they could raise the statute of limitations as a complete defense.

Since so many cases end in default judgments, creditors do not usually have to prove that the documentation of the debt they are suing on is legitimate. These documentation requirements will help ensure that creditors do not bring suits on debts that are not owed or that are past the

statute of limitations and will support informed decision-making by DC residents faced with uncertainties about how to address debt collection actions taken against them.

Subsection (r)

Research has shown "repeated patterns of error and lack of legal compliance in [debt collectors'] lawsuits. These problems are often discovered long after the debt buyers have already won court judgments against alleged debtors, a situation that arises because of the inability of alleged debtors to mount an effective defense even when they are on the right side of the law. … The predictable result of all this is that debt buyer lawsuits are sometimes riddled with fundamental errors. Debt buyers have sued the wrong people, sued debtors for the wrong amounts, or sued to collect debts that had already been paid."[31]

Moreover, in many default judgment cases, the debt collector or buyer is not required to prove that it is entitled to the judgment and instead gets a judgment simply because the defendant failed to appear. This issue is significant because of how many cases are decided by default judgment. A national report concluded that "the most common outcome of a debt collection lawsuit … is a judgment by default," i.e., with no participation in the case by the defendant.[32] The default rate for debt collection actions in D.C is likewise significant: in 2016, based on an informal analysis of collections calendar dockets, almost 42% of DC Superior Court defendants with cases on the small claims debt collection calendar had a defaulted appearance or default judgment entered against them at their initial hearing. Thus, even if a case has been filed or pursued illegally, there remains a good chance that the default will result in the debt collector obtaining judgment anyway—rewarding, rather than deterring, the improper collection activity. This legislation will ensure basic standards are met before a default judgment occurs.

Parties seeking a judgment related to consumer debt should be required to provide evidence that they are entitled to the judgment: that the consumer owes the debt, that the plaintiff owns the debt, and what the correct amount is.[33] The Act creates new subsection (r) to do just that.

Under subsection (r), before the Court can grant judgment against the individual in a debt collection lawsuit, the plaintiff must file with the Court authenticated business records to establish the amount and nature of the debt and include the information enumerated in subsection (m)(1) (i.e., the identities of the original creditor and current owner, the debtor's account number with the original creditor, the signed contract or other documents, the date the debt was incurred, the date of last payment, and an accounting of principal, interest, fees, and charges).

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[31] *Rubber Stamp Justice: US Courts, Debt Buying Corporations, and the Poor*, Human Rights Watch (Jan. 20, 2016), available at https://www.hrw.org/report/2016/01/20/rubber-stamp-justice/us-courts-debt-buying-corporations-and-poor.
[32] Chris Arnold and Paul Kiel, *Millions Of Americans' Wages Seized Over Credit Card And Medical Debt*, NPR (Sept. 15, 2014), available at http://www.npr.org/2014/09/15/347957729/when-consumer-debts-go-unpaid-paychecks-can-take-a-big-hit.
[33] *Model Family Financial Protection Act* at 23

This requirement is important because plaintiffs in debt collection cases often do not provide any testimony to authenticate that the information that they have presented is accurate, and when they do, that evidence is often inadmissible hearsay that does not fall under the business records exception. This requires plaintiffs to provide a base level of admissible evidence before the Court grants judgment in their favor.

Subsection (s)

The new subsection (s) also relates to requirements before the Court can grant a default or summary judgment. Here, subsection (s) requires plaintiffs who are not original creditors to provide copies of any assignments of the debt or other writings establishing transfer of ownership. Plaintiffs must also state every date on which the debt was assigned or sold, the names of the prior owners, and the amount due at the time of sale or assignment. This is important because if the plaintiff cannot establish an unbroken chain of transfers, then the plaintiff lacks standing to sue on the debt.

Subsection (v): Attorneys' fee shifting changes

The Act includes important consumer protections to keep debt collectors' attorneys' fees from overshadowing the underlying controversy. It does so by creating the new subsection (v), which caps attorneys' fees at 15% of the amount of the debt and requires plaintiffs to provide the Court with the contract or other document that entitles the plaintiff to attorneys' fees. These provisions largely track Rule 18 of the Small Claims and Conciliation Branch but would also apply to consumer debt cases filed in the Civil Actions Branch, which does not have a comparable rule.

This rule is important because the cost of attorneys' fees can often quickly overshadow the amount of a consumer debt if there is no limit on the attorneys' fees. The gap in the law as it stood pre-pandemic gave plaintiffs significant and concerning degrees of leverage over debtors because if the debtors seek discovery or even just ask informal questions about the specific amount claimed, they will have to pay even more money in attorneys' fees if the plaintiff wins the case. In our experiences, the implied threat to DC residents that any resistance will only make things worse for the defendant because they will have to pay all of the attorneys' fees racked up by the plaintiff often forces defendants to capitulate even if they had a defense that may have been likely to ultimately succeed. Subsection (v) will help put plaintiffs and defendants on equal footing and ensure that debt collection cases are not about punishing low-income DC residents.

Subsections (w) through (y): Civil arrest changes

Although debtors' prisons were abolished centuries ago, some debt collectors in the District still seek civil arrest warrants against people who have not paid off their debt collection judgments.[34] Their actions, while extremely concerning as a matter of justice, are arguably constitutional because they seek the warrants for failure to appear in court rather than failure to pay. This practice is particularly egregious and should be fixed by legislation for at least five reasons:

1. In our observed experiences, many people fail to appear in court because they were never served and did not know about their case, which means they are being arrested through no fault of their own.
2. Many people mistakenly think that they are being threatened with arrest for failure to pay, which causes them to use otherwise exempt funds to the pay the debt or divert resources from necessities like rent and food.
3. It allows private debt collectors to use and leverage government coercion to collect private debts. This gives those debt collectors an unfair amount of leverage over debtors.
4. It wastes law enforcement resources that should instead be used to protect the District from public safety risks.
5. The arrest warrant may appear on background checks for the debtor and potentially prevent them from obtaining employment or cause them to lose their job.

The Act addresses these issues by creating three subsections to reduce the likelihood and impact of a debtor being arrested for failure to appear in a debt collection case.

Subsection (w)

The Act creates a new subsection (w) that states that before a court may issue a bench warrant for failure to appear in a debt collection case, the plaintiff must have personally served its motion for contempt on the defendant and the defendant must have failed to appear at two contempt hearings.

The requirement of personal service is important because the debtor is less likely to see the motion asking for the debtor to be arrested if it is mailed to the debtor (assuming the debt collector even has the right address for the debtor) or if it is handed to someone else in the

[34] Under Supreme Court precedent interpreting the Constitution's Equal Protection Clause, a State may not imprison persons with unpaid debts solely because they lacked the resources to pay the amount of the outstanding debt. *See Bearden v. Georgia*, 461 U.S. 660, (1983)

debtor's household. Before exercising the extreme remedy of arrest, the court should make sure that the debtor knows what is going on.

The requirement that the defendant have failed to appear at two contempt hearings is equally important because it gives the defendant a second chance before issuing an arrest warrant. The court has no way of knowing why the debtor failed to appear at the first hearing. It is possible that the debtor had a medical or family emergency that made attendance impossible. It is possible that the debtor did not receive the court's notice of hearing in the mail and therefore did not know to attend. Requiring a second hearing gives the defendant time to inform the Court why they failed to appear at the first hearing or another chance for the mail alerting them of their hearing to arrive.

Subsection (x)

The Act creates a new subsection (x), which states that a consumer who is arrested for failing to appear at a debt collection hearing must be brought before the court the same day they are arrested. Arrest in these cases is pursuant to the court's contempt power, and the debtor is being held in contempt for failing to appear in court. As soon as they appear in court, they are no longer in contempt. Therefore, this new subsection seeks to cure the contempt as soon as possible and avoid a situation, for example, where a debtor is arrested on a Saturday morning and then not seen by the judge presiding over their debt collection case until Monday. This ensures that the debtor is held in custody for no longer than is necessary so that they hopefully do not lose their jobs and are able to care for their families.

This is already, as we understand it, the informal policy of the DC Superior Court, which has instructed the U.S. Marshals to bring people directly to Court after they are arrested for civil arrest warrants. The Act takes the important step of codifying that important policy.

Subsection (y)

The Act also creates new subsection (y) that says no person may be jailed or imprisoned for failure to pay a consumer debt or for failure to comply with a court order to pay a consumer debt. Across the country, this has emerged as a major issue.[35] While, thankfully, the DC Superior Court's practices have disfavored this approach, this subsection will codify the protection against incarceration in DC as punishment for unpaid consumer debts.

[35] See, e.g., ACLU, *Criminalization of Private Debt*, available at https://www.aclu.org/issues/smart-justice/mass-incarceration/criminalization-private-debt ("An estimated 77 million Americans have a debt that has been turned over to a private collection agency. Thousands of these debtors are arrested and jailed each year because they owe money. Millions more are threatened with jail.").

Debt collectors will still have other tools at their disposal to collect debts (such as wage garnishments), but they will not be permitted to ask the Court to have the debtor jailed or imprisoned for failure to pay.

Subsection (z): Incorporation of the Fair Debt Collection Practices Act

The Act creates a new subsection (z), which states that a violation of the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 et seq., (the "FDCPA") is a violation of the Debt Collection Law. This will allow debtors to file claims for violation of the FDCPA under DC law in DC Superior Court and eliminate the possibility that the debt collector will remove the case to federal court. DC residents can also still file claims for violations of the FDCPA in federal court by not invoking this DC law. This gives those residents greater flexibility to proceed in whichever court will be most efficient in resolving their cases.

Subsections (aa) through (cc): Debt Collection Moratorium for Future Public Health Emergencies

Finally, the Act makes permanent the provisions from the debt collection moratorium that was enacted multiple times throughout the pandemic. Although the protections in new subsections (aa) through (cc) are not currently active because more than 60 days have passed since the Mayor's public health emergency order expired, it is important to codify these provisions so that if and when the District faces a new public health emergency in the future, these protections can spring automatically and immediately into place. That will allow the Council to focus on other aspects of future emergencies, save the Council from having to repeatedly pass the same law, and provide greater predictability for debt collectors and debtors.

As the pandemic put families in precarious financial positions, debt collection companies took advantage. Pausing collections during the height of the public health emergency prevented debt collectors from extracting money from debtors with low incomes. This permanent bill will curb collectors' huge profits brought on by a flood of cases after protections ended.[36]

The prior debt collection moratorium was important from a public health perspective because the debt collection calendar at the DC Superior Court typically had nearly 200 cases scheduled over two mornings each week, which required lots of people to congregate together indoors for long periods of time. If the District is hit with a new public health emergency, it will again be important to prevent those sorts of mass indoor gatherings. Moreover, as we saw in the early days of the pandemic, public health emergencies can have a significant impact on employment, which means people are strapped for cash to pay rent and utilities and buy food. In those

[36] Paul Kiel and Jeff Ernsthausen, *Debt Collectors Have Made a Fortune This Year. Now They're Coming for More,* ProPublica, Oct. 5, 2020, available at https://www.propublica.org/article/debt-collectors-have-made-a-fortune-this-year-now-theyre-coming-for-more

difficult times, DC residents should not have to also experience the economic and emotional harms of defending themselves against debt collectors.

Debt collectors are not prejudiced by these delays because the Act provides that any statute of limitations on any collection lawsuit is tolled for the period of time in which they are prohibited from filing lawsuits.

The debt collection moratorium was a crucial lifeline for many DC residents.

Although we all hope that another public health emergency is not in the District's future, it is better for the law to allow the system to be prepared and for DC to use the lessons learned from the COVID-19 pandemic, and retain this protection for future emergencies.

III. Technical and Other Clarifications for the Mark Up Phase

For all the above reasons, the as-introduced version of the bill, which tracks the emergency and temporary laws passed during the public health emergency, is strong, and we support it.

In addition, we have some clarifying suggestions for the mark-up phase of the bill, including, for example, provisions allowing residents to pay debts with exempt income if they elect to after receiving notice of their rights, provisions clarifying the bill's authenticated records requirements, provisions requiring plaintiffs to provide basic information showing how defendants' addresses were verified, and making permanent the sensible rule that the Council adopted for the emergency period prohibiting debt collectors making visits to residents' homes or places of employment (other than to provide service of process).

We are happy to discuss the particulars of the bill's language with Councilmembers and of course with Committee staff as may be helpful.