

STATE VEHICLE FINANCE POLICY CHANGES DUE TO CORONAVIRUS

Enacted Policy Changes

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Action	Type	Notes	Status
Alabama Bureau of Loans Statement	Payment Deferrals / Reporting Requirements	<p>The bureau is allowing small loan licensees to process deferrals on installments for alternative rate loan customers.</p> <p>Licensees may charge up to \$18 to defer a payment 10 days or more.</p> <p>This only an opinion and was not issued by the State Banking Department and cannot be considered as legal advice of any form.</p> <p>Any licensees seeking deferral should get a signed consent form from the borrower</p> <p>The bureau is also extending the due date for annual reports required under the Consumer Credit Act, Small Loan Act, and Mortgage Broker Act to 07/15.</p>	03/25 – issued
Alaska SB 241 / Chap. 10	Repossession	The bill establishes a moratorium on repossessions for consumers that experience financial hardship as a result of the COVID-19 pandemic until June 30 or until the public health emergency ends, whichever comes first.	04/10 – signed by governor, effective immediately

Action	Type	Notes	Status
Alaska Division of Banking and Securities Emergency Guidance	Reporting Requirements	The division is extending the due dates for all required reporting by 60 days.	03/15 – issued
Arizona Attorney General Request to Lenders	Credit Reporting / Fees / Payment Deferrals / Repossession	The attorney general is requesting that lending companies defer payments without lump sum or balloon payments after deferment, cease repossessions, waive late fees and default interest for late payments, and cease negative reporting to credit bureaus for 90 days.	03/19 – issued
California Executive Order N-57-20	Collections / Wage Garnishment	The order exempts federal CARES act cash assistance from garnishment or other seizure by creditors and debt collectors. This order retroactively applies to any garnishment activities that have already taken place.	04/23 – issued
Colorado Executive Order D 2020-012 and Department of Regulatory Agencies Guidance	Payment Deferrals	The governor is directing the Department of Regulatory Agencies (DORA) to encourage financial institutions to provide a 90-day deferment for all consumer loans.	03/20 – issued, valid until 04/19
Colorado Attorney General Request to Lenders	Debt Collection	The attorney general is requesting that student loan servicers, creditors, and debt collectors to refrain from mandatory debt collection efforts from those who are unable to pay because of their financial circumstance.	03/18 – issued

Action	Type	Notes	Status
District of Columbia B23-0733 / Act A23-0286	Collections / Repossession	<p>The act, among other provisions, prohibits debt collection lawsuits, wage garnishment, vehicle repossessions, and in person debt collection, or any threats to perform any of those actions, during the duration of the public health emergency and 60 days after its conclusion.</p> <p>Voluntary vehicle surrender is permitted.</p> <p>It also places restrictions on debt collection communications with borrowers; "original creditors" are exempt from the restriction, but neither the bill nor existing statute define the term "original creditor."</p>	<p>04/10 – signed by mayor, effective immediately. Expires on 07/09.</p> <p>Bill text states provisions effective as of 03/11</p>
Florida Office of Financial Regulation Emergency Order 2020-03	Payment Deferrals	<p>The commissioner is allowing vehicle finance companies to schedule the initial payment for 90 days after the signing their contract.</p> <p>Existing law only allows companies to schedule the initial payment for 45 days after signing their contract.</p>	04/17 – issued
Illinois Division of Financial Institutions Guidance	Collections / Credit Reporting / Fees / Payment Deferrals	<p>The division is expecting that consumer credit licensees will "work proactively with consumers during this crisis" and "be flexible with repayment of debt."</p> <p>The Guidance includes recommended "best practices" for licensees, including increasing communications with consumers, proactively reaching out to consumers to offer payment plans or deferrals and waiving late and nonsufficient charges, use available disaster codes for credit reporting, and potentially suspending debt collection for consumers negatively impacted by COVID-19.</p>	04/14 – issued
Illinois Executive Order 2020-25	Collections / Wage Garnishment	The governor is prohibiting wage garnishment during the state of emergency.	04/14 – issued
Illinois Executive Order 2020-16	Repossessions	The governor is prohibiting vehicle repossessions during the coronavirus disaster declaration.	03/26 - issued

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Action	Type	Notes	Status
Indiana Supreme Court Order	Collections / Wage Garnishment	The court will not be issuing new orders placing a hold on, attaching, or garnishing funds in a judgment-debtor's account in a depository institution. For any existing court orders, debtors are entitled to a hearing to determine what funds in an account are from CARES Act stimulus payments, which will be exempt from garnishment.	04/20 – issued, effective until end of state of emergency
Kentucky Department of Financial Institutions Guidance	Loan Terms	The department is suggesting that licensees implement policies and procedures to work constructively with customers, including restructuring existing loans, extending loan repayment terms, easing terms for new loans, and waiving fees.	03/24 - issued
Maryland Executive Order 20-04-29-03	Collections / Wage Garnishment	The order exempts federal CARES act cash assistance from garnishment or other seizure by creditors and debt collectors.	04/29 – issued, effective until end of State of Emergency
Maryland Executive Order 20-04-03-01	Repossessions	The order prohibits repossessions by self-help.	04/03 - issued
Maryland Commissioner of Financial Regulation Guidance to Licensees	Credit Reporting / Fees / Forbearance / Loan Modification	The commissioner is urging all licensees to: <ul style="list-style-type: none"> a) Waive late fees and online/telephone payment processing fees; b) Forgo negative reporting to credit reporting agencies; and c) Offer modification, forbearance, or other options to borrowers 	03/27 - issued
Massachusetts Attorney General Guidance	Collections / Wage Garnishment	The guidance exempts federal CARES act cash assistance from garnishment or other seizure by creditors and debt collectors.	04/13 – issued

Action	Type	Notes	Status
Massachusetts Emergency Regulations	Collections / Repossessions	<p>The regulations would make it an unfair and deceptive act to:</p> <ul style="list-style-type: none"> a) Initiate, file, or threaten to file any new collection lawsuit; b) Initiate, threaten to initiate, or act upon any legal or equitable remedy for the garnishment, seizure, attachment, or withholding of wages, earnings, property or funds for the payment of a debt to a creditor; c) Initiate, threaten to initiate, or act upon any legal or equitable remedy for the repossession of any vehicle; d) Apply for, cause to be served, enforce, or threaten to apply for, cause to be served or enforce any <i>capias</i> warrant; e) Visit or threaten to visit the household of a debtor at any time; f) Visit or threaten to visit the place of employment of a debtor at any time; and g) Confront or communicate in person with a debtor regarding the collection of a debt in any public place at any time <p>It would also make it an unfair or deceptive act or practice to contact a debtor via telephone.</p>	03/27 – issued. Valid for 90 days or the end of the State of Emergency, whichever is earlier.
Michigan Department of Insurance and Financial Services (DIFS) Survey	Reporting Requirements	DIFS is requiring licensees to submit survey responses with a summary of all actions in direct response to the coronavirus outbreak by March 20 at 5:00 p.m.	03/18 – issued

Action	Type	Notes	Status
Nebraska Attorney General Guidance	Collections / Wage Garnishment	Nebraska Attorney General Doug Peterson alerted creditors, debt collectors, and financial institutions that Nebraska law may exempt CARES Act stimulus checks from attachment, garnishment or execution for certain low-income consumers. According to the AG, any attempt or threat by a creditor or a debt collector to garnish or attach funds provided through the CARES Act, if that property would have otherwise been exempt under Nebraska law, will be considered an unfair trade practice in violation of Nebraska's Consumer Protection Act, Neb. Rev. Stat. § 59-1602. CARES Act stimulus payments may be garnished in cases where people are behind on child support statements	04/15 -issued
Nevada Financial Institutions Division (NFID) Letter to Licensees	Collections / Fees / Interest Rates / Payment Deferrals / Repossession	NFID sent a letter requesting that every licensee have a plan in place that outlines the licensee's efforts to manage the outbreak, including, but not limited to: waiving certain fees, such as late fees; lowering interest rates; halting collection efforts, including vehicle repossession; offering payment accommodations, such as deferring or skipping payments or extending the payment due date.	03/17 – issued
Nevada – Las Vegas Justice Court Administrative Ruling	Collections / Wage Garnishment	The court suspended issuing orders for the examination of a judgment debtor and suspended the issuance of any Writ of Execution. Any property garnished or attached after March 17, 2020, must be released back to the judgment debtor.	03/16 – issued
New Mexico Public Regulation Commission Guidance	Repossessions	The commission is classifying towing services for repossession as non-essential, effectively banning repossessions	04/14 – issued, effective during Stay-at-Home order, which is currently active in place until 04/30

Action	Type	Notes	Status
New York Attorney General Guidance re: CARES Act Payments	Collections / Wage Garnishment	The AG is prohibiting creditors or debt collectors from garnishing federal CARES Act stimulus payments from a creditor.	04/21 – issued
New York Department of Financial Services (DFS) Guidance and Extension	Reporting Requirements	The DFS is requiring that regulated institutions submit a plan describing how the institution will manage potential financial risk from the coronavirus outbreak within thirty days of the guidance. The report was originally due on 04/09 but the DFS extended it to 05/25	03/10 – issued, 03/24 – updated
New York DFS Guidance and Extension	Reporting Requirements	The DFS is requiring that regulated institutions submit a plan describing how the institution will manage potential operational risk from the coronavirus outbreak within thirty days of the guidance. The report was originally due on 04/09 but the DFS extended it to 05/25	03/10 – issued, 03/24 – updated
North Carolina Department of Insurance Guidance	Payment Deferrals	The department is ordering all collection agencies to follow the provisions set in NC Gen. Stat. § 58-2-46 , which require them to defer payments for 30 days from the last day the premium.	03/27 – issued, valid until 05/26.
Ohio Attorney General Guidance	Collections / Wage Garnishment	The guidance exempts federal CARES act cash assistance from garnishment or other seizure by creditors and debt collectors.	04/13 – issued
Pennsylvania Attorney General PA CARE Package Initiative	Payment Deferrals / Fee Waivers / Repossessions / Credit Reporting	The attorney general is launching a voluntary program for financial institutions. Participating institutions must commit to: <ul style="list-style-type: none"> a) A 90-day grace period for mortgages (at least); b) A 90-day grace period for other consumer loans such as auto loans; c) A 90-day window for relief from fees and charges such as late, overdraft fees; d) A motor vehicle repossession moratorium for 60 days; and e) A suspension of adverse credit reporting for accessing relief on consumer loans 	03/30 - launched

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Action	Type	Notes	Status
Rhode Island Attorney General Guidance AG 2020-03	Collections / Wage Garnishment	The guidance exempts federal CARES act cash assistance from garnishment or other seizure by creditors and debt collectors.	04/28 – issued
Texas Office of the Consumer Credit Commissioner (OCCC) Advisory Bulletin	Payment Deferments / Repossessions	The OCCC urges motor vehicle sales finance licensees to modify contracts with consumers to defer payments or make partial payments, waive late payment, deferment, nonsufficient funds fees, suspend charging off accounts, and suspend repossessions. The bulletin also notifies licensees that electronic signatures are allowed under state and federal law.	03/26 - issued
Texas Department of Motor Vehicles Waiver	Title Extension	The governor granted the department’s request for a 60-day waiver of the time in which to apply for title and the associated delinquent transfer penalty. During this period, the delinquent transfer penalty does not apply to any title application submitted between March 16, 2020, and 60 days after the department provides notice normal titling services have resumed. Title applications submitted delinquent after 60 days from the TxDMV notice will not be assessed a penalty for any period associated with the waiver.	03/16 – issued
Vermont Attorney General Directive	Collections / Wage Garnishment	The AG is advising debt collectors, creditors, and other financial institutions that CARES Act stimulus payments are exempt from wage garnishment or collection.	04/21 – issued
Washington Proclamation 20-49	Collections	The governor is prohibiting wage garnishment.	04/14 – issued, valid until 05/14

Action	Type	Notes	Status
Wisconsin Department of Financial Institutions Emergency Guidance	Collections	<p>The department is warning debt collectors from repeatedly contacting consumers, without drawing precise boundaries boundary between permitted or prohibited communications with debtors, stating each communication must “be considered in context.”</p> <p>The department stated that: "Solicited follow-up communications are different than unsolicited threats to sue, and calls made in a good faith effort to compromise a debt are different than efforts to be the ‘squeakiest wheel’ among a debtor’s creditors."</p> <p>The Guidance also includes an interpretive letter from the Department’s Chief Legal Counsel regarding certain servicing acts that are prohibited under the Wisconsin Consumer Act.</p>	04/13 – issued
Wisconsin Department of Financial Institutions Emergency Guidance	Interest Rates	<p>The DFI will deem it an essential failure of character and fitness for a licensed lender to increase interest rates, fees, or any costs of borrowing during the coronavirus crisis.</p>	03/18 – issued

Proposed Policy Changes

Action	Type	Notes	Status
25 State Attorneys General Letter to U.S. Treasury Department	Collections	The attorneys general are requesting the department take immediate action to protect CARES act stimulus payments from seizure by debt collectors.	04/14 - sent
23 State Attorneys General Letter to CFPB	Credit Reporting	The attorneys general are requesting that the CFPB enforce the federal CARES Act's amendment to the Fair Credit Reporting Act that requires lenders to report as current any loans that are subject to a COVID-19-related forbearance or other accommodation.	04/13 – sent
District of Columbia B23-0735	Collections	This bill would amend the COVID-19 Response Supplemental Emergency Amendment Act of 2020, B23-0733 / Act A23-0286 . Among other provisions, the bill would explicitly exclude the mailing of monthly statements related to an existing payment plan or payment receipts related to an existing payment plan from the law's restrictions on communications with a debtor and explicitly allow creditors to receive and deposit payments a debtor chooses to make during a public health emergency	04/21 – passed council, sent to mayor
District of Columbia B23-0734	Collections / Repossession	This is the companion to B23-0733 / Act A 23-0286 . It is a temporary bill, so it would be effective after mayor's signature and congressional review and remain for 225 days.	04/07 – passed Council
Louisiana SB 450	Collections / Wage Garnishment	This bill would exempt payments a debtor receives from federal COVID-19 relief laws from seizure.	03/31 – introduced

Action	Type	Notes	Status
Massachusetts HD 5014	Collections / Credit Reporting / Fees / Forbearance	<p>This bill would prohibit a creditor from demanding payment of any debt.</p> <p>Creditors would be required to grant forbearance if an affected consumer request it.</p> <p>It would also prohibit creditors from assessing any monetary charge or penalty of any kind – including interest and late fees – on any debt during the bill’s effective period, and any charges on the debt after the bill expires.</p> <p>Creditors would be required to return any property garnished after 03/10.</p> <p>It would also prohibit creditors from reporting any negative information to a credit bureau and prohibit credit reporting agencies from lowering a consumer’s credit score for the duration of the bill’s effective period.</p> <p>For debt collectors, the bill would prohibit all communication with a debtor, other than written communication.</p> <p>The bill would be effective until 90 days after the COVID-19 state of emergency ends.</p>	04/21 - passed House Rules Committee and referred the House Consumer Protection and Professional Licensure Committee
Massachusetts HD 5012	Credit Reporting	<p>This bill would prohibit consumer reporting agencies from reporting any late payments on all installment loans, including mortgages, vehicle loans, personal loans, and student loans, during the COVID-19 state of emergency and 30 days after it ends.</p>	04/15 – referred to House Rules Committee

Action	Type	Notes	Status
Minnesota HF 3532/SF 4194	Credit Reporting / Fee Waivers	The bills would require the Commissioner of Commerce to negotiate with credit reporting bureaus to waive negative reports, and to negotiate a federal waiver for federally guaranteed student loans.	<p>HF 3532: 02/19 – referred to House Health and Human Services Policy Committee</p> <p>SF 4149: 03/09 – referred to Senate Health and Human Services Finance and Policy Committee</p>
New Jersey AB 3908/SB 2330	Collections / Credit Reporting / Repossessions	<p>These bills would require credit reporting agencies to not consider negative information about a consumer if they demonstrate financial hardship as a result of COVID-19 and delete such information if requested by a consumer.</p> <p>They would also prevent creditors from considering adverse information that is a result of the COVID-19 pandemic.</p> <p>They would prohibit debt collection lawsuits, wage garnishment, vehicle repossessions, in person debt collection, and initiating communication with a debtor via telephone, or any threats to perform any of those actions.</p> <p>They would also exempt any state or federal financial assistance from seizure by a debtor.</p> <p>These bills would be retroactive to March 9 and be effective for the entirety of the duration of the public health emergency and 120 days after its conclusion.</p>	<p>AB 3908: 05/01 – referred to Assembly Commerce and Economic Development Committee</p> <p>SB 2330: 04/09 – introduced</p>

Action	Type	Notes	Status
New Jersey AB 3949	Credit Reporting	<p>This bill would also prevent creditors from considering any negative information due to the COVID-19 pandemic.</p> <p>Credit reporting agencies would be required to delete negative information if requested by a consumer experiencing financial hardship.</p> <p>It would be retroactive to March 9 and be effective for the entirety of the duration of the public health emergency and 120 days after its conclusion.</p>	04/13 – introduced & referred to Assembly Financial Institutions and Insurance Committee
New Jersey AB 3948	Credit Reporting / Forbearance	<p>This bill would require the forbearance of commercial loans, student loans, residential and commercial mortgage loans, and “other consumer loans” for the duration of the state of emergency and six months after. The total forbearance period would be not more than 180 days.</p> <p>This bill would also prevent creditors from considering any negative information due to the COVID-19 pandemic.</p> <p>Credit reporting agencies would be required delete negative information if a consumer experiencing financial hardship request.</p> <p>The credit reporting provisions of the bill would be in place for the duration of the state of emergency and 90 days after.</p> <p>The bill would be retroactive to March 9.</p>	04/13 – introduced & referred to Assembly Financial Institutions and Insurance Committee
New York AB 10261	Payment Deferrals / Credit Reporting	This bill would suspend all vehicle loan for 90 days and suspend negative reporting to credit bureaus.	04/08 - referred to Assembly Consumer Affairs and Protection Committee
Ohio HB 596	Collections / Fees / Forbearance / Wage Garnishment	<p>The bill is a sweeping ban on collections, providing that no debt collector may, during the covered period, relating to a debt owned by a consumer or a small business residing in Ohio, do any of the following:</p> <p>a) Capitalize unpaid interest;</p>	03/31 – introduced

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		<ul style="list-style-type: none"> b) Apply a higher interest rate triggered by the nonpayment of the debt to the debt balance; c) Charge a fee triggered by the nonpayment of the debt, d) Sue or threaten to sue for nonpayment of a debt, e) Continue litigation to collect a debt initiated prior to the effective date of the legislation, f) Enforce a security interest through repossession, limitation of use or foreclosure, g) Commence or continue any action to cause collection of a debt, including pursuant to a previously issued court order, from wages, state benefits, or other amounts due a consumer or small business, by way of garnishment, deduction offset or other seizure; h) Cause the collection of a debt by levying funds from a bank account or seizing other assets of a consumer or small business; i) Commence or continue an action to evict a consumer or small business from real or personal property; <p>“Debt collector” is broadly defined to include creditors, lessors and providers of utility services.</p>	
Puerto Rico HB 2562	Payment Deferral	Establishes a moratorium for the payment of mortgage loans, personal loans, credit cards, and vehicle loans.	03/28 – Filed, referred to Committee on Consumer Affairs, Banking and Insurance

Action ¹	Ban/Voluntary?	Notes	Status
Alaska SB 241 / Chap. 10	Ban	The bill establishes a moratorium on repossessions for consumers that experience financial hardship as a result of the COVID-19 pandemic.	04/10 – signed by governor, effective immediately Effective until 06/30 or until the public health emergency ends, whichever comes first.
Arizona Attorney General Request to Lenders	Voluntary	The AG is requesting lending companies suspend repossessions for 90 days.	03/19 – issued
District of Columbia B23-0733 / Act A23-0286	Ban	Voluntary vehicle surrender is permitted.	04/10 – signed by mayor, effective immediately. Expires on 07/09. Bill text states provisions effective as of 03/11 Effective until 60 days after the public health emergency ends
Illinois Executive Order 2020-16	Ban	The governor is prohibiting vehicle repossessions.	03/26 – issued Effective until expiration of disaster declaration.
Maryland Executive Order 20-04-03-01	Ban	The order prohibits repossessions by self-help.	04/03 – issued Effective until expiration of state of emergency.
Massachusetts Emergency Regulations	Ban	The regulations would make it an unfair and deceptive act to initiate, threaten to initiate, or act upon any legal or equitable remedy for the repossession of any vehicle;	03/27 – issued. Effective for 90 days or the end of the State of Emergency, whichever is earlier.

¹ These policy changes are also on the table for general VF policy

Action ¹	Ban/Voluntary?	Notes	Status
Nevada Financial Institutions Division (NFID) Letter to Licensees	Voluntary	NFID sent a letter requesting that every licensee have a plan in place that outlines the licensee's efforts to manage the outbreak, including halting vehicle repossession.	03/17 – issued
New Mexico Public Regulation Commission Guidance	Indirect Ban	The commission is classifying towing services for repossession as non-essential, effectively banning repossessions	04/14 – issued, effective during Stay-at-Home order, which is currently active in place until 04/30
North Carolina Executive Order 135 (Stay at Home Order)	Indirect Ban	The stay at home order did not explicitly list repossession agents as non-essential in formal guidance, but the state has told repossession agents that they are non-essential.	03/30 – issued, effective until 05/08
Pennsylvania Division of Banks Guidance	Indirect Ban	The department declared repossession agents “non-life-sustaining”, so they must close under the governor’s stay at home order	04/01 – issued, effective until 05/08
Pennsylvania Attorney General PA CARE Package Initiative	Voluntary	The attorney general is launching a voluntary program for financial institutions. Among other provisions, participating institutions must commit to a motor vehicle repossession moratorium for 60 days.	03/30 - launched

Action ¹	Ban/Voluntary?	Notes	Status
Texas Office of the Consumer Credit Commissioner (OCCC) Advisory Bulletin	Voluntary	The OCCC urges motor vehicle sales finance licensees to, among other provisions, suspend repossessions. The bulletin also notifies licensees that electronic signatures are allowed under state and federal law.	03/26 - issued