

March 19, 2020

The Honorable Maxine Waters
Chairwoman
Committee on Financial Services
U.S. House of Representatives
Washington, DC 20515

Dear Chairwoman Waters:

As America continues to address the Coronavirus pandemic, we take this opportunity to share with you the ways in which the American Financial Services Association (AFSA)¹ and its members are addressing consumers' financial uncertainty and working to mitigate their financial harm during this crisis. AFSA represents the consumer credit industry, including traditional installment lenders and vehicle finance companies.¹ We share your concerns regarding the potential lasting impact that this situation may engender and would like to highlight just some of the ways that AFSA members are engaged in the communities we serve and with the consumers we serve.

AFSA members are continuing to update policies based on federal, state, and local policymakers' and health care professionals' decision making in response to the virus. Already, member companies are offering "no fee" deferrals and extensions (as many as four payment periods) to customers whose income has been disrupted. Some companies are underwriting existing customers' loans more liberally to allow refinancing, to create new loans or to defer initial payments as long as possible.

In addition, other AFSA members are providing payment relief assistance to clients on consumer and business loans and personal and business credit cards. Some are waiving ATM fees, as well as providing five-percent cashback when using the institution's credit card for purchases at grocery stores and pharmacies over the next month. Companies are also expanding fraud-protection and notification services to customers and expanding communication efforts to address customer concerns, both about the virus and about financial planning. In the auto financing sector, some companies are delaying payments due to employment disruption for up to six months, while others are providing relief through measures including extensions and lease deferrals on a case by case basis.

In working to address the financial security, as well as the health and safety, of both customers and employees, our member companies are taking precautions based on the policies being put in place for federal, state and local policymakers, as well as health professionals. This includes branch closures, scaling back of both employees and customers in branches, thoroughly deep-cleaning branch offices and ATMs, and limiting employee travel. Companies have established

¹ Founded in 1916, the American Financial Services Association ("AFSA") is the national trade association for the consumer credit industry, protecting access to credit and consumer choice. AFSA members provide consumers with many kinds of credit, including traditional installment loans, mortgages, direct and indirect vehicle financing, payment cards, and retail sales finance.

“time off with pay” and “work from home” capabilities, as well as fully covering testing for the virus. Others have implemented expanded call center resources and secure virtual private networks to expand social distancing of employees while continuing to address consumer needs and to better protect customer privacy.

In addition, AFSA is continuing to promote MoneySKILL via social media, partner organizations, and the AFSA network; MoneySKILL is AFSA’s free online financial education program which instructs consumers of all ages on personal finance concepts and responsible money management. In particular, the program is increasing its outreach for the fully online, free curriculum as schools are closed or moving online.

These are highlights of the initial responses AFSA members have enacted to help consumers during this uncertain time. This is a quickly evolving situation, but please know that AFSA and its member companies are committed to meeting the needs (both health and financial stability) of employees and customers during this time, and to helping the communities we serve.

Thank you for the opportunity to comment, and we look forward to continuing to work with you on these crucial issues.

Sincerely,

A handwritten signature in black ink that reads "Bill Himpler". The signature is written in a cursive, flowing style.

Bill Himpler
President and CEO
American Financial Services Association