



April 1, 2020

The Honorable JB Pritzker  
Governor, State of Illinois  
Office of the Governor  
207 State House  
Springfield, IL 62706

**Re: Executive Order 2020-16 in response to COVID-19**

Dear Governor Pritzker:

I write on behalf of the American Financial Services Association (AFSA)<sup>1</sup> regarding your March 28 executive order (Executive Order 2020-16, COVID-19 Executive Order No. 14) suspending provisions of the Uniform Commercial Code and the Illinois Vehicle Code regarding repossession of vehicles. AFSA members share your goal of providing relief to borrowers facing financial hardship due to the spread of COVID-19 and continue to take steps to work with borrowers to help them keep their vehicles during this emergency. We applaud your order's language making clear it does not relieve any individual of making payments or obligations under a loan agreement.

In order to prevent significant market disruption and ensure that companies can continue to provide relief to those customers who need it most, we believe clarification on two other points related to repossession is necessary. Based on your order, we assume these are true, but we request verification.

First, we assume your order is not intended to inhibit voluntary surrenders—which allows borrowers to voluntarily turn over a vehicle based on their own assessment of their financial situation and vehicle needs—or to prevent recovery of vehicles at risk due to mechanics liens, fraud, vehicles in impound lots in jeopardy of being sold, abandoned vehicles, seized vehicles, or in other cases where collateral may be in jeopardy. Leaving creditors without the ability to secure their collateral in instances where it may be at risk would cause a significant disruption in the vehicle finance market, with implications for larger financial markets due to existing securitization and master credit agreements. We believe verification of this important point would prevent such a market disruption.

We also assume and respectfully request verification that your order suspends repossession only for individual consumer accounts with vehicles used primarily for personal, family, or household purposes and not commercial accounts. The ninth clause of your order states, in part: “the repossession of vehicles is contrary to the interest of...ensuring that individuals are able to

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<sup>1</sup> Founded in 1916, the American Financial Services Association (AFSA), based in Washington, D.C., is the primary trade association for the consumer credit industry, protecting access to credit and consumer choice. AFSA members provide consumers with many kinds of credit, including direct and indirect vehicle financing, traditional installment loans, mortgages, payment cards, and retail sales finance. AFSA members do not provide payday or vehicle title loans.

engage in permitted travel” (emphasis added); however, the provisions of the Illinois Vehicle Code and Uniform Commercial Code that are referenced in your order apply to both individual consumer and commercial accounts and vehicles. The latter includes unsold motor vehicle dealer inventory that is not presently being relied upon for transportation by any individual. Because of this discrepancy, we believe additional clarification is necessary.

Thank you for your attention to this matter. If you have any questions about how AFSA can be of any further assistance to you as you move forward, please do not hesitate to contact me at 952-922-6500 or [dfagre@afsamail.org](mailto:dfagre@afsamail.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Danielle Fagre Arlowe". The signature is fluid and cursive, with a long, sweeping underline.

Danielle Fagre Arlowe  
Senior Vice President, State Government Affairs  
American Financial Services Association  
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