



March 24, 2020

The Honorable Michelle Lujan Grisham  
Governor  
State of New Mexico  
490 Old Santa Fe Trail, Room 400  
Santa Fe, NM 87501

**Re: March 23, 2020, Public Health Emergency Order Closing All Businesses and Non-Profit Entities Except for Those Deemed Essential**

Dear Governor Lujan Grisham:

I write on behalf of American Financial Services Association (AFSA)<sup>1</sup> regarding the New Mexico Department of Health's (Department) March 23 Public Health Emergency Order Closing All Businesses and Non-Profit Entities Except for those Deemed Essential due to COVID-19. While we appreciate the Department's efforts to mitigate the impact of the pandemic in New Mexico and ensure social distancing to minimize the spread, we are concerned that this order excludes non-depository lenders and other financial institutions from the definition of "essential business," cutting off access to important sources of emergency credit for New Mexico consumers.

The federal Department of Homeland Security's Cybersecurity & Infrastructure Security Agency (CISA) considers the financial services sector to be one of sixteen vital components of the nation's critical infrastructure, and this sector is not limited to financial institutions that hold deposits. According to CISA, "the Financial Services Sector includes thousands of depository institutions, providers of investment products, insurance companies, other credit and financing organizations, and the providers of the critical financial utilities and services that support these functions." (emphasis added)<sup>2</sup>

At a time of national crisis and economic turmoil such as the COVID-19 pandemic, it is critical that all sections of society have access to emergency credit if widespread hardship is to be avoided, and both banks and non-depository financial institutions are a vital source of emergency credit. Installment loans are increasingly acknowledged as one of the safest and most affordable forms of credit and allow easy access to small sums at short notice. Payment cards provide borrowers with open-end credit lines immediately accessible as needed. Refinancing a mortgage or vehicle loan to lower monthly payments frees up money that can be put toward emergency expenses. Each of these credit options allows a consumer to access sums

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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.

<sup>2</sup> See CISA *Financial Services Sector-Specific Plan 2015* at <https://www.cisa.gov/sites/default/files/publications/nipp-ssp-financial-services-2015-508.pdf>.

of money that help them to deal with unforeseen circumstances.

In addition to emergency credit, it is also essential that consumers have access to banks and non-depository financial institutions with which they have existing relationships in order to service those accounts. While some financial institutions are set up to perform some functions from home, others need personnel in place in offices or local branches to ensure customer needs are met.

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', written in a cursive style.

Danielle Fagre Arlowe  
Senior Vice President, State Government Affairs  
American Financial Services Association  
919 Eighteenth Street, NW, Suite 300  
Washington, DC 20006-5517

cc:

Secretary Kathyleen M. Kunkel, State of New Mexico Department of Health  
Director Christopher Moya, State of New Mexico Financial Institutions Division