

November 15, 2021

Senator Alessandra Biaggi
Legislative Office Building
Room 905
Albany, NY 12247

Senator Kevin Parker
State Capitol Building
Room 504-C
Albany, NY 12247

Re: Senate Bill 737/Chapter 461

Dear Senators Biaggi and Parker:

I write on behalf of the American Financial Services Association (“AFSA”)¹ to express our grave concerns Senate Bill 737 (Chapter 461), which went into effect on November 7. While our members share your goal of ensuring that debtors with vision problems have access to communications in large print, the law’s quick implementation timeframe and an undefined term have created significant compliance challenge for our members.

While businesses continue to take steps to meet the law’s requirements, integration of the new disclosure into existing systems takes time and requires significant changes to ensure compliance. Additionally, we believe the text of the law requires clarification with regard to what qualifies as the initial communication with the debtor for the purposes of including the disclosure. While the law broadly defines *communication* as “the conveying of information regarding a debt directly or indirectly to any person through any medium,” *initial communication* is undefined. Unlike third-party debt collectors, creditors regularly communicate with their customers throughout the duration of the relationship; such communications include welcome letters, invoices, payment reminders, and past due notices. It is not clear which, if any, of these communications would be the *initial communication* required to include the law’s disclosure. Adding a clear definition will ensure creditors can properly make the disclosure to consumers in line with the legislature’s intent.

For these reasons, while our members work on implementing the law’s requirements, we respectfully request your support for a chapter amendment to the law that will define *initial communication* and delay the effective date of the disclosure requirement for six months. We believe this approach will give companies the time they need to make the changes and still guarantee access to communications for debtors with vision problems.

¹ 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 also provide commercial credit to vehicle and equipment dealers.

Thank you in advance for your consideration of our comments. If you have any questions or would like to discuss this further, please do not hesitate to contact me at 952-922-6500 / dfagre@afsamail.org at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read 'Danielle Fagre Arlowe', with a long horizontal flourish extending to the right.

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