

United States Senate
WASHINGTON, DC 20510

June 24, 2020

Ashish Masih
President and Chief Executive Officer
Encore Capital Group Inc.
3111 Camino Del Rio North Suite 103
San Diego, CA 92108

Dear Mr. Masih:

I write regarding recent reports that your company and other debt collectors have continued to file collection lawsuits and garnish consumers' wages—an aggressive and often complicated form of debt collection—during the coronavirus disease 2019 (COVID-19) pandemic.¹

Nobody should lose their home, their car, their utilities, or access to basic needs during a global pandemic.² However, while courts, governors, and local officials across the country have taken steps to provide debt collection relief to some consumers, many consumers still remain vulnerable to predatory and intrusive debt collection practices. According to a recent report by *ProPublica*, “essential workers and others who were lucky enough to keep their jobs have still been at risk of forfeiting a portion of their paychecks” to debt collectors.³ And as courts across the country take steps to gradually reopen and restore operations in the coming weeks and months,⁴ some debt collectors are reportedly “laying the groundwork for a return to normal by filing suits by the thousands.”⁵

These types of aggressive debt collection practices are even more concerning because many families find themselves in increasingly dire financial situations as they turn to credit cards to make ends meet and afford basic necessities. According to a recent study, “the number of tenants paying rent with a credit card during the first week of April rose 30% compared with the same

¹ ProPublica, “Capital One and Other Debt Collectors Are Still Coming for Millions of Americans,” Paul Kiel and Jeff Ernsthansen, June 8, 2020, <https://www.propublica.org/article/capital-one-and-other-debt-collectors-are-still-coming-for-millions-of-americans>.

² Medium, “Congress must provide immediate relief for consumers. Here’s how.,” Senators Elizabeth Warren and Sherrod Brown, April 21, 2020, <https://medium.com/@SenWarren/congress-must-provide-immediate-relief-for-consumers-heres-how-2aeb99672ef9>

³ See n. 1.

⁴ Boston Globe, “Mass. courthouses expected to physically reopen this summer amid coronavirus; jury trials possible in September,” Travis Andersen, May 14, 2020, <https://www.bostonglobe.com/2020/05/14/nation/mass-courthouses-expected-physically-reopen-this-summer-amid-coronavirus-jury-trials-possible-september/>; Maryland Courts, “Maryland courts announce plan to gradually reopen through phased approach,” press release, May 22, 2020, <https://mdcourts.gov/media/news/2020/pr20200522>.

⁵ ProPublica, “Capital One and Other Debt Collectors Are Still Coming for Millions of Americans,” Paul Kiel and Jeff Ernsthansen, June 8, 2020, <https://www.propublica.org/article/capital-one-and-other-debt-collectors-are-still-coming-for-millions-of-americans>.

period in March.”⁶ Additionally, more than 42 million workers have filed for unemployment benefits in the last 11 weeks,⁷ and according to a U.S. Census Bureau survey, almost half of all households in the United States have experienced loss in employment income in the last several weeks.⁸

You should suspend these practices immediately. Filing collection lawsuits and garnishing the wages of consumers already struggling to pay for basic necessities will only exacerbate the economic and public health crisis. To better understand the scope of your use of these debt collection practices during the pandemic, please provide answers to the following questions no later than July 8, 2020.

1. Provide the following information for each of these account types for each month in 2020 to date: credit cards, auto loans, and home loans.
 - a. Number of debt collection lawsuits
 - b. For debt collection lawsuits, the average dollar amount of claims filed by your company or other associated affiliates or entities
 - c. Number of debt collection lawsuits for which your company or associated affiliates or entities won judgments
 - d. Number of accounts for which collection started
 - e. Number of consumers having their wages garnished for debts owned by your company
 - f. Average dollar amount and percentage of wages garnished
2. How many consumers from whom you are collecting debt have received communication (by phone, mail or email) from your company regarding the status of their accounts or notices related to debt collection for each month in 2020 to date? Please provide exemplars of each communication (including scripts used for phone communications).
3. Has your company suspended debt collection for or provided assistance to consumers facing difficulties due to the pandemic? If so, please provide a description of the assistance you are providing and the process for consumers to access this assistance.

Sincerely,

Elizabeth Warren
United States Senator

Sherrod Brown
United States Senator

⁶ Wall Street Journal, “Out-of-Work Apartment Tenants Putting Monthly Rent on Plastic,” Will Parker, April 15, 2020, <https://www.wsj.com/articles/out-of-work-apartment-tenants-putting-monthly-rent-on-plastic-11586966251>.

⁷ Politico, “New unemployment claims rose by 1.9 million last week,” Rebecca Rainey, June 4, 2020, <https://www.politico.com/news/2020/06/04/unemployment-claims-numbers-coronavirus-300477>.

⁸ United States Census Bureau, “Household Pulse Survey,” accessed on June 10, 2020, <https://www.census.gov/data-tools/demo/hhp/#/>.