

SUPPORT the Consumer Fairness Act of 2019

HB 88

Representative Guzzardi / Senator Martinez

HB 88 passed out of the House unanimously.

Illinois' Debt Collection Laws are Crushing Families Struggling with Debt



1 in 3 Illinois residents have a credit card, medical or utility bill that is 180 days past due, and are now in the debt collection process.



Debt collection abuses are the leading cause for complaints to the Federal Trade Commission and Consumer Financial Protection Bureau.



Illinois has one of the highest rates of bankruptcy in the nation. Our debt collection laws – particularly a 9% post-judgment interest rate that could accumulate for up to 26 years – are pushing Illinoisans unnecessarily into bankruptcy.

Meet Waldemar

Waldemar took on credit card debt to pay for his father's medical bills in 2005. He fell behind, and the creditor got a \$2,000 judgment and sat on it. Because of debt revivals and the 9% post-judgment interest rate, that \$2,000 grew to over \$20,000, ten times what Waldemar owed. "The feeling is like suicide," Waldemar said, "No exit."

Illinois families need reform that will help them pay off their debts while meeting their basic needs.

The Consumer Fairness Act (HB 88) will:

- **Decrease the post-judgment interest rate from 9% to 5% for consumer debt** – helping families to avoid the cycle of debt that prevents them from building long-term financial security.
- **Decrease the timeframe to collect on a judgment from 26 to 17 years by limiting revivals**– preventing collectors from trapping families in debt with judgments that are decades old.

Questions:

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The following Organizations & Businesses Support the Consumer Fairness Act:

AARP Illinois

CARPLS

Center for Disability & Elder Law

Chicago Bar Association

Chicago Coalition for the Homeless

Chicago Lawyer's Committee for Civil Rights

Chicago Legal Clinic

Chicago Volunteer Legal Services

Community Organizing and Family Issues / POWER-PAC

Families Fathers and Healthy Communities

Heartland Alliance for Human Needs & Human Rights

Illinois Asset Building Group

Illinois Chapter of NACA

Illinois Legal Aid Online

Illinois PIRG

Instituto del Progreso Latino

Jane Addams Resource Corporation

JP Credit Education & Consulting LLC

Legal Aid Society of Metropolitan Family Services

National Association of Consumer Advocates (NACA)

Project IRENE

Sargent Shriver National Center on Poverty Law

Woodstock Institute