



To achieve economic justice for low-income and other disadvantaged people and to address the racial and economic inequality that the COVID-19 crisis has made so starkly apparent, we need major changes in federal consumer protections. The steps listed are common-sense reforms rooted in basic fairness that will fight fraud and help keep consumers in their homes, cars, and jobs so they can invest their wages in their local businesses and communities.



ACCESS TO JUSTICE: Restore our Day in Court

Fine-print forced arbitration clauses and class action bans take away [Americans' access to the courts](#) and prevent us from joining together to fight widespread wrongdoing.

End the [use of forced arbitration](#) in contracts ([H.R. 1423/S. 610](#)).



BANKRUPTCY: A Fresh Start for Working Families

Bankruptcy gives families burdened with debt an opportunity for a fresh start – all the more essential in the wake of the COVID-19 crisis.

Simplify the bankruptcy process and eliminate needless and burdensome requirements imposed in 2005 that have led to a [25% increase in insolvency](#).

Give student loan borrowers ([S. 1414/H.R. 2648](#)), and those struggling with unaffordable criminal justice fines and fees the same fresh start opportunity as others.

Increase [homestead protections](#) so families in crisis can declare bankruptcy without losing their homes.



CARS: Transparency, Consistency & Safety in Vehicle Sales & Finance

With [86% of workers commuting to work in a private vehicle](#), cars are essential for families. Yet the market to buy and finance cars is plagued by abuses that harm consumers and fair-dealing sellers and financiers – from selling unsafe cars to [discriminatory pricing](#) for cars, financing, and other car-related items.

Require dealers to address safety recall issues before selling or leasing a used vehicle ([S. 1971](#)).

Expand the [National Motor Vehicle Title Information System](#) to include insurance claims data so buyers have more information about a used car history before they buy it.

Collect race and ethnicity data in auto sales and finance, as in the mortgage market, to monitor and fight discrimination.



CFPB: Keep the Consumer Watchdog Working for Us

Under strong leadership, the Consumer Financial Protection Bureau ordered [\\$11.9 billion in relief for 29 million consumers](#), but more recently it has favored lawbreakers over consumers. The CFPB's response to the COVID-19 crisis has weakened consumer protections, not strengthened them.

Refocus the CFPB on its mission to protect consumers and fight discrimination ([H.R. 1500](#)).



CIVIL RIGHTS & FAIR LENDING: Defend & Enforce Our Laws

A years-long campaign to weaken civil rights laws and gut fair lending protections has given some lenders, housing providers, car dealers, insurers, and financial service companies a license to discriminate.

Preserve disparate impact standards and the duty to Affirmatively Further Fair Housing, and **enforce** fair lending and fair housing laws vigorously, including in new uses of data and algorithms.

Require mortgage companies and other financial services to provide language access ([H.R. 4783](#)) for borrowers with limited English proficiency.

Preserve the collection of race and ethnicity data and require loan-level data during the COVID-19 emergency ([H.R. 6794](#) & [H.R. 6835](#)) and beyond.



CREDIT: Limit Interest Rates to Stop Predatory Lending

High-interest loans with [triple-digit APRs](#) create a [debt trap](#). Interest rate limits are the [simplest and most effective protection](#) against predatory lending.

Extend the [36% interest rate cap](#) that currently protects active duty servicemembers to all consumers ([H.R. 5050](#)) and **stop** overdraft fees used as a high-cost form of credit ([S. 1595/H.R. 4254](#)).

Support state [interest rate caps](#) and stop [rent-a-bank lending](#) by repealing FDIC and OCC rules and through enforcement actions and bank oversight.



CREDIT REPORTS: Stop Errors & Abuses

Credit scores and credit reports, as well as [background check](#) and tenant screening reports, impact the ability to obtain credit, buy a house, rent an apartment, or even find a job. Yet these reports are [full of errors](#), penalize consumers for [far too long](#), include unfair information such as [medical debts](#), and reinforce [racial disparities](#).

Enact comprehensive credit reporting reform ([H.R. 3621](#)) including free credit scores; a ban on information that is outdated, misleading or related to predatory activities; identity theft protections; and limits on the use of credit reports for jobs.

Create a public credit registry that is designed to be responsive to consumer needs and equity concerns.



CRIMINAL JUSTICE: Disarm the Poverty Trap

[State and local governments impose unaffordable fines and fees](#) that trap families in poverty, ensnare them in the criminal justice system, and [harm over-policed communities of color](#).

End debtors' prisons and require private collectors of state and local government debt to comply with [fair debt collection](#) rules ([H.R. 3948](#)).

Incentivize state and local governments to reduce and cap revenue from fines and fees and end debt-based driver's license suspensions that prevent people from getting to work ([S. 4186](#)).

Stop bail and corrections industry profiteering, including prohibiting the prison phone industry from charging families extortionate rates ([S. 1764/H.R. 6389](#)).



DEBT & DEBT COLLECTION: Protect Consumers from Abusive Collection Practices

Debt collectors are a top source of [consumer complaints](#), with [68 million people](#) having past-due accounts.

Enact rules to [protect consumers](#), not [abusive collectors](#) and **strengthen** the [FDCPA](#) by increasing penalties, closing loopholes, stopping the collection of [zombie debt](#), and requiring collectors to have accurate information.

Protect [wages](#), [bank accounts](#) and other income needed for food and necessities from garnishment or government offset, including the Earned Income and Child Tax Credits ([H.R. 5114](#)) and Social Security benefits ([S. 1649/H.R. 2991](#)).

Protect consumers from the harmful impacts of medical debt ([S. 4350](#), [H.R. 5330](#), [S. 1581](#) & [H.R. 6470](#)).



ENERGY, TELECOM & ROBOCALLS: Keep Vulnerable Consumers Connected

Nearly [1 in 3 households report challenges in paying energy bills](#). Low-income households face a digital divide, and all are plagued by robocalls.

Ensure that essential utility services, including electricity, home energy, water, and telecom, are affordable and accessible.

Increase funding for the Low Income Home Energy Assistance Program (LIHEAP) to meet the recent upsurge in need.

Support and expand the Lifeline program, which helps low-income families afford basic telephone and broadband service.

Stop unwanted, invasive and dangerous [robocalls](#).



HOUSING: Ensure Access to Sustainable Homeownership

Strong communities and markets need responsible lending rules that give borrowers, especially low-income and Black and Latinx borrowers, a fair shake at the dream of owning and keeping a home.

Extend the foreclosure moratorium and require lenders to help borrowers get back on track after a COVID hardship ([HEROES Act § 110203](#)).

Prohibit rent-to-own ([S. 571](#)) housing abuses.

Expand [homeownership opportunities](#) in historically underserved communities and ensure FHA borrowers have access to strong foreclosure prevention options ([S. 2279/H.R. 3958](#)).



STUDENT LOANS: Lift the \$1.6 Trillion Weight from Consumer Shoulders

Millions of Americans are facing unaffordable student loan debt. Falling behind on student loans should not threaten the financial security of borrowers and their families.

Enact large-scale student loan debt cancellation ([H.R. 6363](#), [H.R. 3387](#), [H.R. 3448](#) & [S. 1947](#)).

Restore strong borrower defense and gainful employment protections to hold predatory institutions of higher education accountable and provide relief to harmed students.

For more information, contact NCLC Director of Communications Jan Kruse (jkruse@nclc.org) who will connect you with the correct expert.