



## Massachusetts and Illinois Issue New Statewide COVID-19 Collections Guidance

Consumer Finance Litigation  
04.02.2020

On March 16, 2020, Massachusetts' Division of Banks, the chartering authority and primary regulator for financial in-state service providers, issued a statement encouraging financial institutions to work with affected customers and communities. Thereafter, Massachusetts Attorney General Maura Healy filed an emergency regulation on March 27, 2020, limiting collections practices during the COVID-19 crisis. Effective immediately and spanning for 90 day or until the conclusion of the declared state of emergency, 940 CMR 35.00 prohibits creditors and debt collectors from engaging in methods of debt collection that can require people to leave their homes or have in-person contact. These prohibited practices include: initiating, filing, or threatening to file any new collection lawsuits, visiting consumers at their homes or places of work, repossessing vehicles, making unsolicited debt collections calls, or garnishing wages, among other protections.

On March 30, 2020, the Illinois Department of Financial and Professional Regulation – Division of Financial Institutions issued a news release announcing guidance sent to its regulated entities, state banks, credit unions, installment lenders, payday lenders, title loan lenders, sales finance lenders including auto loans, currency exchanges, student loan servicers, mortgage servicers, and collection agencies concerning their lending, servicing, and collection during the COVID-19 pandemic. The guidance encouraged these entities to work with consumers battling financial difficulties in the wake of the COVID-19 outbreak, including suspending collection activities for a period of 60 days. Per Governor J.B. Prizker's March 20, 2020 Order, debt collection is not listed as an essential business. However, as of April 1, 2020,

### RELATED PROFESSIONALS

Rachel Blackmon Cash

Denzel E. Okinedo

# Massachusetts and Illinois Issue New Statewide COVID-19 Collections Guidance

debt collectors may still continue to operate remotely provided they comply with relevant regulations.

[CLICK HERE TO READ THE COMPLETE COVID-19 COLLECTIONS IMPACT BULLETIN](#)