



Illinois Department of Financial and Professional Regulation

Division of Financial Institutions

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Guidance to Illinois-Licensed Debt Collection Agencies and Debt Buyers Regarding COVID-19

On March 9, 2020, Governor JB Pritzker declared all counties in the State of Illinois as a disaster area in response to the outbreak of COVID-19. On March 20, 2020, the Governor issued Executive Order 2020-10 ("Executive Order"), requiring all non-essential businesses and operations to cease all activities within the State, except for certain identified minimum basic operations.

Although licensed debt collection agencies and debt buyers operating in the State are not listed as essential businesses under the Executive Order, non-essential businesses are allowed to continue operations consisting exclusively of employees or contractors performing activities at their own residences. The Collection Agency Act, 225 ILCS 425 et seq., does not contemplate collectors' ability to conduct business at any place other than the address of record that is on file with the Illinois Department of Financial and Professional Regulation ("Department"). Thus, debt collection agencies seeking to work at a location other than their address of record, including remotely, are hereby directed to provide the Department notice within 14 days of any address changes pursuant to 225 ILCS 425/2.5(2).

The Department encourages debt collection agencies and debt buyers to work with consumers to modify payment schedules or suspend all collection activity for a period of no less than 60 days.

The Department reminds debt collection agencies and debt buyers of their duties to comply with applicable law, including but not limited to the Fair Debt Collection Practices Act (FDCPA), Fair Credit Reporting Act (FCRA), Servicemembers Civil Relief Act, applicable privacy laws, and all other applicable state and federal statutes.

In particular, the Department reminds licensees to adhere strictly to the requirements of Section 805(a)(1) of the FDCPA and Section 9(a)(19)(A) of the Collection Agency Act, which prohibit communications at times and places that should be known to be inconvenient to the debtor. In light of the economic stress caused by the COVID-19 crisis, the Department will closely monitor adherence to these provisions.

The Department reminds debt collection agencies and debt buyers with respect to their accuracy duties under FCRA and encourages them to use disaster codes along with any other deferment or forbearance codes for any consumer who is unable to repay their debt to mitigate the credit reporting impact of the crisis.