



U.S. HOUSE COMMITTEE ON FINANCIAL SERVICES
– CHAIRWOMAN MAXINE WATERS –
THE HEROES ACT
SHIELDS BORROWERS FROM DEBT COLLECTORS AND PROVIDES
REASONABLE FORBEARANCE FOR MISSED PAYMENTS

- For consumers struggling with COVID-19-related job loss, health expenses, and housing insecurity, keeping up with debt payments is becoming extremely challenging, if not impossible.
- As COVID-19 is putting enormous stress on the physical, mental, and financial health of consumers who are taking care of loved ones, while dealing with job loss and housing insecurity, the Heroes Act rightly suspends debt collection for consumers, small business, and nonprofits, and modifies their obligations so that they and the economy can recover.

The Heroes Act protects consumers and small business owners and nonprofit organization:

- **Moratorium on All Debt Collection until 120 days after the COVID-19 pandemic ends.**
- **Reasonable Modification and Repayment Options.** Following the moratorium, borrowers would be provided reasonable repayment options:
 - For fixed payment loans, missed payments will be added to the end of the loan, extending the loan maturity, and allowing the same payment amounts with the same time period (i.e. monthly payments) to resume after the crisis.
 - For open end credit, a consumer will be eligible for a repayment plan that conforms with the repayment standards set forth under the Credit CARD Act for balances protected from retroactive rate increases.
 - For debt arising from other obligations, a consumer will be eligible for sustainable repayment plans ranging from one to three years depending on the outstanding amount owed.

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