Attorney General James Renews Suspension of State Debt Collection for Fourth Time as Coronavirus Continues to Impact New Yorkers' Wallets

New Yorkers with Student and Medical Debt Referred to AG's Office
Will Have Payments Automatically Frozen for an Additional 30 Days

NEW YORK – New York Attorney General Letitia James today announced that the state will tomorrow again renew, for the fourth time, an order to halt the collection of medical and student debt owed to the state of New York that has been specifically referred to the Office of the Attorney General (OAG) for collection for an additional 30-day period. In response to continuing financial impairments resulting from the spread of the coronavirus disease 2019 (COVID-19), the OAG will renew orders again tomorrow, Friday, July 17, 2020 through Saturday, August 15, 2020. After this 30-day period, the OAG will reassess the needs of state residents for another possible extension. Additionally, the OAG will accept applications for suspension of all other types of debt owed to the state of New York and referred to the OAG for collection.

"While the number of coronavirus cases across New York continue to decline and businesses open back up, New Yorkers are still very much feeling the economic impact of this public health crisis each and every day," said **Attorney General James**. "It is our hope that by, once again, suspending the collection of state student and medical debt referred to my office, we can support New Yorkers and reduce their burden in these difficult times. The last thing that the 3 million New Yorkers who applied for unemployment benefits since this pandemic began, or the millions of others struggling across our state, need right now is the burden of paying off debts."

Millions of New Yorkers, like Americans across the nation, have been impacted — directly or indirectly — by the spread of COVID-19, forcing them to forgo income and business. Since COVID-19 began to spread rapidly across the country in mid-March, more than 50 million residents across the nation have filed for unemployment, including more than 3 million in New York state alone. In an effort to support many New Yorkers economically impacted during this difficult time, Attorney General James today renewed an order — **first made in March** and renewed in **April**, in **May**, and in **June** — to ease the financial burdens for many workers and families by halting the collection of medical and student debt owed to the state of New York and referred to the OAG for collection for 30 additional days. Today's order renews this suspension period through August 15, 2020.

The OAG collects certain debts owed to the state of New York via settlements and lawsuits brought on behalf of the state of New York and state agencies. A total of more than 165,000 matters currently fit the criteria for a suspension of state debt collection, including, but not limited to:

- Patients that owe medical debt due to the five state hospitals and the five state veterans' homes;
- Students that owe student debt due to State University of New York (SUNY) campuses; and

- Individual debtors, sole-proprietors, small business owners, and certain homeowners that owe debt relating to oil spill cleanup and removal costs, property damage, and breach of contract, as well as other fees owed to state agencies.

The temporary policy has also automatically suspended the accrual of interest and the collection of fees on all outstanding state medical and student debt referred to the OAG for collection, so New Yorkers are not penalized for taking advantage of this program.

New Yorkers with non-medical or non-student debt owed to the state of New York and referred to the OAG may also apply to temporarily halt the collection of state debt. Individuals seeking to apply for this temporary relief can **fill out an application online** or visit the **OAG's coronavirus website** to learn more about the suspension of payments. If an individual is unable to fill out the online form, they can also call the OAG hotline at 800-771-7755 to learn more.

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