Attorney General James Renews Suspension of State Debt Collection for Fifth 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 Through September 4, 2020

NEW YORK – New York Attorney General Letitia James today announced that the state will, on Sunday renew for the fifth 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. In response to continuing financial impairments resulting from the spread of the coronavirus disease 2019 (COVID-19), the OAG will renew orders again from this coming Sunday, August 16, 2020, through Friday, September 4, 2020 — a date which coincides with Governor Cuomo's most recent executive order tolling statutes of limitation and other legal time periods. After this 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.

"Although New York has had remarkable success in containing the coronavirus, too many New Yorkers are still enduring the financial hardships of this pandemic," said **Attorney General James.** "We have the power to help tens of thousands of New Yorkers who are struggling to make ends meet, which is why we are again suspending the collection of state student and medical debt referred to my office. As we continue our work to stop the spread of this virus, we must also work to rebuild our economy and help New Yorkers get back on their feet, and that starts with ensuring our state's residents are not unnecessarily burdened with additional debt payments at this time."

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, tens of millions of residents across the nation have filed for unemployment, including more than 3.4 million in New York state alone. In an effort to support many New Yorkers economically impacted during this difficult time, Attorney General James will this weekend renew an order — **first made in March** and renewed in **April**, in **May**, in **June**, and in **July** — 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 through September 4, 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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