Attorney General James Suspends State Debt Collection for 12th Time, Provides One Year of Relief Since Coronavirus Began to Impact New Yorkers' Wallets

New Yorkers with Student and Medical Debt Referred to AG's Office
Will Have Payments Automatically Frozen Through March 31, 2021

NEW YORK – New York Attorney General Letitia James today announced that the state will halt, for the 12th time, 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 — with limited exceptions — through March 31, 2021. In response to continuing financial impairments resulting from the spread of the coronavirus disease 2019 (COVID-19), the OAG will again renew orders, which take effect tomorrow morning, March 1, and goes through Wednesday, March 31, 2021. 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 we are again beginning to see a decline in the number of new COVID-19 cases across the state, it is clear that the financial hardships that hundreds of thousands of New Yorkers are experiencing everyday will long outlive this public health crisis," said **Attorney General James.** "As we continue our work to stop the spread of this disease and distribute the vaccine, we must also work to rescue those still struggling to make ends meet. That is why my office will, once again, renew the suspension of state and medical debt collection referred to my office for another month. We've halted the collection of these debts for over a year now so that New Yorkers can get back on their feet. Our state's residents can trust that I will continue to do everything in my power to stand up for all those who have faced unprecedented hardships and challenges during this pandemic."

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 last year, tens of millions of residents across the nation have filed for unemployment, including more than 5 million in New York state alone. In an effort to support many New Yorkers economically impacted during this difficult time, Attorney General James will tomorrow renew an order — **first made in March** and renewed in **April**, in **May**, in **June**, in **July**, in **August**, in **September**, in **October**, in **November**, in **December**, and **earlier this month** — 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 — with limited exceptions — through March 31, 2021.

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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