

Senator Warren calls on banks to end the seizure of stimulus checks

United States Senator Elizabeth Warren (D-Mass.), Ranking Member of the Senate Committee on Banking, Housing and Urban Affairs Subcommittee on Consumer Protection and Financial Institutions, and Senator Sherrod Brown (D-Ohio), Ranking Member of the Senate Committee on Banking, Housing, and Urban Affairs, sent letters to banks and credit unions – through their trade organizations: the American Bankers Association, Bank Policy Institute, Consumer Bankers Association, Independent Community Bankers of America, National Association of Federally-Insured Credit Unions, and the Credit Union National Association – urging them to cease the seizure of Coronavirus Aid, Relief, and Economic Security (CARES) Act stimulus payments from hardworking American families. The senators' push follows recent reports that banks are seizing the CARES Act stimulus payments from their customers to pay themselves.

“During this time of crisis, we must come together to protect our collective health and mitigating the financial blow that Covid-19 is taking on our workers and our economy. We ask that your member banks do the right thing—for their customers, our country, and our economy—and publicly commit that they will not offset their customers' stimulus payments to pay for any fees, charges, or allegedly past due debts,” wrote the senators.

Earlier this month Senator Warren joined Senators Brown and Ron Wyden (D-Ore.) in calling for Treasury Sec. Mnuchin to protect stimulus payments from being garnished by debt collectors.

2020-04-15 Letter to ABA re offsets