

**Testimony of Natalia Brown**

**On Behalf of**

**National Debt Relief**

**Regarding HB 4141**

My Name is Natalia Brown I am the Advisor of Government Affairs for National Debt Relief (NDR). We are a debt resolution company that was founded with the purpose of helping consumers reduce their debt burden, educating our consumers and helping them get on the right track to pursue their financial goals. I've been a part of NDR for more than fifteen years and I have had countless conversations with our clients where they have shared their hardships. Over my Career at NDR I managed teams that support our enrolled clients and their respective operational functions. We are based in New York and pride ourselves on promotion from within. We have been able to employ more than 2000 happy employees, and we have been certified as a great place to work by the Great Place to Work Institute every year since our first submission in 2019.

At my organization we believe the only success we can have is our client's success, we are rated A+ with the BBB, have over 16000 5-star client reviews, stellar net promoter and Customer satisfaction scores on par with some of the best companies in the nation. We never cold call clients, every client we have ever enrolled is actively looking for a way to relieve their debt burden. Many clients have tried credit counseling, failed out of bankruptcy, tried to resolve debt on their own or sought help from nonprofit agencies. We believe an additional option that focuses on long term savings to resolve debt can only help consumers and the economy in Oregon. During our enrollment process we focus on transparency and setting our clients up for success. We would like to continue our mission to help as many people as we can to live their lives free of debt and financially educated to avoid ever experiencing the stress of overwhelming debt again.

I'd like to take a moment to share testimonials from two of our clients from other states:

Miriam wrote "I worried for months day and night. I went with national debt because of their history. When I was on the phone with them, I was worried, confused and crying but, after 5 minutes my agent explained in detail to me how the program worked. He was patient and he took his time so I could take mine and we came to an affordable monthly plan. I would recommend national to any one and I already have to some of my family members. Thank you for being there for me."

Melissa said, "I needed help so badly and my prayers were answered. My husband and brother both passed away unexpectedly. My Sister-in-law and I were both facing debts. She is handicapped, we both are in our 70's. We both are living on Social Security. Due to illness and not being able to work, we fell behind on taxes. I was trying to help myself and my Sister-in-law pay for the funeral and some of her debts and mine too. I borrowed money from loan companies, but with the economy and interests on these loans, I was struggling to keep my head above water. I knew I needed help. I never intended to ever go into debt, but things unforeseen happened and my entire life changed, so did my sister-in-law's.

Mr. Taylor was so kind and understanding and consoling. It was as though God had heard my prayers that evening and sent him to help me at a time I felt so alone and didn't know where to turn. Thank you all for your understanding and for giving me the help I need at a time I feel like my whole World had turned upside down in an instant."

Our clients come to us when they have had a substantial impact to their income, overcome with medical debt, used credit for unforeseen expenses, are already struggling to keep up, are already past due, in collections or any combination of the forementioned. In our current environment we see an increase of clients reaching out because their wages are not keeping up with the cost of living. The Federal Reserve reported in the Economic Well-Being of U.S. Households (2021), approximately 75% of consumers in their study who carried balances in the prior twelve months self-reported credit scores of very poor, poor, or fair. There is a population of consumers who need as many options as possible to resolve their debt.

Our process starts with a consultation to ensure debt resolution is the best option. Transparency and discussing all available options are requirements. We have our internal compliance functions, external independent audits, federal, and state laws that regulate our industry. If a client is not a fit for debt resolution, we decline enrollment and communicate alternatives that might be a better fit. Once a client is qualified, we walk through every aspect of the program, they deposit funds into a dedicated savings account they own, and all transactions need their approval. When we negotiate a settlement on their behalf, we outlay all the terms and get their approval of the settlement, they also give permission to their dedicated savings provider to release funds according to terms. Once all approvals are in place a payment must go to their creditor and clear before any fee can be collected. We repeat this cycle until every debt is resolved. NDR is performance based, we do not have any upfront costs and we are fully compliant federal telemarketing sales rule. Our clients are generally in our program for 24 to 48 months and have an entire team working for them. Because clients own their savings accounts when emergencies arise, they have access to their funds. When clients graduate, they often continue to save, have a better understanding of their financial landscape, and most importantly they can live their lives with one less burden. As an accredited member of ACDR we would be happy to comply with appropriate laws to govern our space in Oregon.

Others who may oppose this bill site pre-2010 data however, in New York more than 100,000 accounts are settled annually through debt settlement since the FTC added regulations to our space with the TSR, which requires debt settlement companies to engage customers with the utmost transparency. Debt settlement is a viable option for consumers when credit counseling or bankruptcy is not the best option to reduce the overall cost of their debt obligations. We firmly believe consumers should have options that best suit their needs in a transparent and regulated space.