



Kate Harrison  
Councilmember District 4

CONSENT CALENDAR  
June 11<sup>th</sup>, 2019

To: Honorable Mayor and Members of the City Council

From: Councilmembers Harrison and Bartlett

Subject: Strike Debt Bay Area's Medical Debt Relief Effort in Cooperation with RIP Medical Debt: Relinquishment of Council Office Budget Funds to General Fund and Grant of Such Funds.

RECOMMENDATION

Adopt a Resolution approving the expenditure of an amount not to exceed \$250 per Councilmember including \$150 from Councilmember Kate Harrison, to Strike Debt Bay Area's Medical Debt Relief Effort (<https://secure.ggiv.com/event/strikedebtbayarea/>), in cooperation with and hosted by RIP Medical Debt, a 501(c)(3) tax-deductible non-profit corporation. Funds would be relinquished to the City's general fund for this purpose from the discretionary Council Office Budgets of Councilmember Harrison and any other Councilmembers who would like to contribute.

FISCAL IMPACTS OF RECOMMENDATION

No General Fund impact; \$150 is available from Councilmember Kate Harrison's Council Office Budget discretionary account.

ENVIRONMENTAL SUSTAINABILITY

None.

BACKGROUND

Strike Debt Bay Area is a local activist group dedicated to fighting against unjust debt. In partnership with RIP Medical Debt, a non-profit corporation with extensive experience in the medical debt market, they are conducting a campaign to raise at least \$15,000 to buy up and then annul more than \$1,000,000 in unpaid medical debt owed by residents of Berkeley, Alameda County and the greater East Bay. RIP Medical Debt has partnered with many local groups across the country in similar campaigns, including nurses in Michigan, high school students in Florida and a church in Annapolis. In existence since 2012, Strike Debt Bay Area has taken part in the campaigns to Save the Downtown Berkeley Post Office from Privatization and for an East Bay Public Bank, supported the country's only nonprofit check-cashing operation, and worked with KPFA on a set of debt-related radio segments, among its many projects.

In America, 41% of people are struggling to pay their medical bills or have accumulated medical debt over time.<sup>1</sup> 60% of all uninsured and underinsured people have medical debt of some kind and, of every person with medical debt, the largest share, 11%, were 27 years old<sup>2</sup>, as they are no longer under parents' insurance. Escalating debt over time can affect people's ability to buy houses or automobiles or even have children. With such a large share of people in debt being millennials, debt is now a generational issue.

RIP Medical Debt and other organizations like it purchase bundles of medical debt on the market, allowing them to pay it off for pennies on the dollar. Bundle purchasing of this kind is often the best chance people have of paying off their debt for good. Several hundred dollars for the Berkeley City Council can relieve thousands of dollars in medical debt for people in Berkeley and the Bay Area.

#### CONTACT PERSON

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ATTACHMENT: 1: Resolution

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<sup>1</sup> <https://www.commonwealthfund.org/publications/newsletter-article/survey-79-million-americans-have-problems-medical-bills-or-debt>

<sup>2</sup> <https://www.pbs.org/newshour/health/millennials-rack-up-the-most-medical-debt-and-more-frequently>

RESOLUTION NO. ##,###-N.S.

AUTHORIZING THE EXPENDITURE OF SURPLUS FUNDS FROM THE OFFICE  
EXPENSE ACCOUNTS OF THE MAYOR AND COUNCILMEMBERS FOR RIP  
MEDICAL DEBT

WHEREAS, medical debt is a large and rapidly growing problem that can suddenly confront anyone, even those with insurance coverage; and

WHEREAS, the United States is the only G20 nation to allow its citizens to incur massive medical debt; and

WHEREAS, many individuals in the United States end up in medical debt to the tune of tens of thousands, and even hundreds of thousands, of dollars, with no possibility of being able to pay it off; and

WHEREAS, being in such debt causes serious stress, with deleterious mental and psychological effects; and

WHEREAS, RIP Medical Debt is a non-profit tax-exempt corporation created to buy up the right to collect debts at pennies or less on the dollar and cancel said debts; and

WHEREAS, RIP Medical Debt has already bought up and cancelled hundreds of millions of dollars of such debt, both through its own fundraising efforts and in partnership with local organizations and activist groups around the country; and

WHEREAS, Strike Debt Bay Area is a local activist organization which has participated in the campaign to save the Downtown Berkeley Post Office from privatization, the ongoing campaign for an East Bay Public Bank, supported the country's only nonprofit check-cashing operation, and has worked with Berkeley-based KPFA on a set of debt-related radio segments, among other campaigns; and

WHEREAS, Strike Debt Bay Area is partnered with RIP Medical Debt; and

WHEREAS, RIP Medical Debt seeks funds for their campaign, the *Strike Debt Bay Area Fundraiser* to eliminate more than \$1,000,000 of the unpaid medical debts of unspecified and presently unknown individuals in the East Bay; and

WHEREAS, Strike Debt Bay Area has already raised, locally, over \$9000 for RIP Medical Debt to buy East Bay medical debt on the debt market;

THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that funds relinquished by the Mayor and Councilmembers from discretionary funds up to \$250 per office shall be granted to RIP Medical Debt's *Strike Debt Bay Area Fundraiser*; and

THEREFORE BE IT FURTHER RESOLVED that the funds either be donated online at the campaign website or a check be made out to RIP Medical Debt and sent to: RIP Medical Debt, Strike Debt Bay Area 2019 Campaign, 80 Theodore Fremd Ave., Rye, NY 10580.

