

Top Consumer Concerns for Debt Collection Regulations

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As the Consumer Financial Protection Bureau drafts rules focused on debt collectors' communications and disclosures to consumers, it should adopt rules that:

Stay Faithful to Purposes Behind the Fair Debt Collection Practices Act

- Build upon existing protections to eliminate abusive collection practices.

Stop Telephone Harassment

- Limit collectors to one conversation per week (with up to three attempted calls).
- Require collectors to obey the consumer's oral request to stop calling.

Stop Collection of Zombie Debt

- Prohibit collection of time-barred debt, both in and out of court. Debt beyond the statute of limitations is too old to collect without mistakes or deception.
- At a minimum, prohibit suits on "revived" debt and limit communications to writings with clear, consumer-tested disclosures that the consumer cannot be sued.

Protect Consumer Privacy

- Do not exempt any collector contacts from the Fair Debt Collection Practices Act.
- Clarify that collectors cannot leave messages with friends, neighbors, or employers.

Improve Debt Collection Notices

- Create a model validation notice and statement of rights for collectors that improves consumer information about the alleged debts and their debt collection rights.
- Use consumer testing to ensure that consumers understand these model documents.

Protect Consumers from Abusive Collection Emails or Texts

- Prohibit debt collection emails to the consumer's work address.
- Require ability to opt-out of emails or texts. Encourage opt-in consent.
- Clarify that collectors must comply with the E-Sign Act and that consent does not transfer to collectors from original creditors.

For more information, contact National Consumer Law Center attorneys:

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