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**FTC MAY WEAKEN PROTECTIONS, ALLOW DEBT COLLECTORS TO TARGET
FAMILIES, FRIENDS, NEIGHBORS OF CONSUMERS WHO HAVE DIED**

BOSTON – Laws that block debt collectors from seeking payments from families of consumers who have died recently could be weakened by a proposed Federal Trade Commission “statement of enforcement policy.” The proposed policy could encourage more aggressive tactics by debt collectors.

That’s the conclusion in [comments](#) on the proposed policy prepared by Robert J. Hobbs, a lawyer and expert on debt collection issues for the National Consumer Law Center.

“The plain language of the Fair Debt Collection Practices Act does not allow collectors to contact friends, neighbors or relatives except to obtain contact information for debtors,” Hobbs said. “This proposed rule could open the door for collectors to seek money by prodding and misleading grieving relatives and friends into thinking they have obligations that they don’t.”

Collecting debts owed by deceased consumers has become an important field of specialization. At least five firms focus on such collections and employ hundreds of collectors, according to a recent report by the Minneapolis Star-Tribune. Creditors who employ specialists to collect debts of the deceased include Nordstrom, Citigroup, Wells Fargo, JPMorgan Chase and Discover Financial Services, the newspaper found.

The Fair Debt Collection Practices Act prohibits abusive and deceptive practices by third-party debt collectors, including contacts with unobligated family members, friends and neighbors for any purpose except to seek contact information for those who owe debts.

But provisions of the proposed policy could undermine that prohibition, and provide a cover for debt collectors who persuade friends and family members to reach into their own pockets to pay debts allegedly owed by dead consumers.

“The FTC should strengthen protections for grieving families and friends, not open the door to debt collection efforts that often aim to exploit the vulnerability of the bereaved,” Hobbs said.

Consumers, especially those who have been targeted by debt collectors seeking payments for obligations of just-deceased friends and relatives, should contact the FTC and express their support for stronger protections. Public comments can be submitted until Nov. 8 at <https://ftcpublic.commentworks.com/ftc/deceaseddebtcollection/>.

For more information, contact Robert J. Hobbs at 617-542-8010 or at rhobbs@nclc.org.

The National Consumer Law Center is a non-profit organization that seeks marketplace justice on behalf of vulnerable Americans. NCLC works with, and offers training to, thousands of legal-service, government and private attorneys, as well as community groups and organizations representing low-income families. Our legal manuals and consumer guides are standards of the field. Learn more on our Web site: <http://www.nclc.org>.

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