



# UNFAIR DEBTS WITH NO WAY OUT

CONSUMERS SHARE THEIR EXPERIENCES  
WITH RENTAL DEBT COLLECTORS



National  
Consumer Law  
Center  
*Fighting Together  
for Economic Justice*

October 2022



**National  
Consumer Law  
Center**  
*Fighting Together  
for Economic Justice*

## ABOUT THE NATIONAL CONSUMER LAW CENTER

Since 1969, the nonprofit National Consumer Law Center® (NCLC®) has used its expertise in consumer law and energy policy to work for consumer justice and economic security for low-income and other disadvantaged people in the United States. NCLC's expertise includes policy analysis and advocacy; consumer law and energy publications; litigation; expert witness services, and training and advice for advocates. NCLC works with nonprofit and legal services organizations, private attorneys, policymakers, and federal and state government and courts across the nation to stop exploitative practices, help financially stressed families build and retain wealth, and advance economic fairness.

**NCLC.ORG**

© Copyright 2022, National Consumer Law Center, Inc.  
All rights reserved.

## ABOUT THE AUTHORS

**April Kuehnhoff** is a staff attorney in the National Consumer Law Center's Boston office, where she advocates for fair debt collection. She is the co-author of NCLC's [Fair Debt Collection](#) and a contributing author to [Surviving Debt](#). Prior to joining NCLC, April was an associate at Shapiro Haber & Umy LLP, a law clerk for the Honorable Justice Gary Katzmann at the Massachusetts Appeals Court, and a Skirnick Public Interest Fellow at the Cambridge and Somerville Legal Services office of Greater Boston Legal Services. She is a graduate of Wellesley College and Harvard Law School.

**Ariel Nelson** is a staff attorney at the National Consumer Law Center focusing on credit reporting, tenant and background screening, and criminal justice debt issues. She is a co-author of NCLC's [Fair Credit Reporting](#) treatise and a contributing author to [Collection Actions](#). Previously, Ariel litigated administrative and environmental law cases as a staff attorney/clinical teaching fellow at Georgetown University Law Center. She also served as a law clerk to the Honorable Judge David O. Carter of the U.S. District Court for the Central District of California and to the Honorable Judge Dorothy W. Nelson of the U.S. Court of Appeals for the Ninth Circuit. She holds a B.A. from the University of California, Berkeley and a J.D. from Harvard Law School.

**Chi Chi Wu** is a staff attorney at NCLC focusing on consumer credit issues, including legislative, administrative, and other advocacy. Her specialties include fair credit reporting, credit cards, refund anticipation loans, and medical debt. Before joining NCLC, Chi Chi worked in the Consumer Protection Division at the Massachusetts Attorney General's office and the Asian Outreach Unit of Greater Boston Legal Services. Chi Chi is a graduate of Harvard Law School and The Johns Hopkins University.

**Wesley Ward** is a former intern at the National Consumer Law Center, where he worked on fair debt collection, fair credit reporting, and litigation matters. Prior to joining NCLC, Wesley interned in the Office of the New York Attorney General's Consumer Frauds and Protection Bureau and was a legislative assistant in the Illinois Senate. He attends the University of Michigan Law School and graduated *summa cum laude* from Illinois State University.

## ACKNOWLEDGEMENTS

The authors thank NCLC colleagues Carolyn Carter and Steve Sharpe for their review and comments, Anna Kowanko and Maggie Westberg for cite checking, and Michelle Deakin for editing. Thank you to Julie Gallagher for design and layout.

# UNFAIR DEBTS WITH NO WAY OUT

## CONSUMERS SHARE THEIR EXPERIENCES WITH RENTAL DEBT COLLECTORS

### TABLE OF CONTENTS

<b>1. INTRODUCTION</b>	3
<b>2. METHODOLOGY</b>	4
<b>3. PROBLEMS WITH THE AMOUNT OF RENTAL DEBT</b>	4
3.1 <i>Collection of Excessive or Unreasonable Charges</i>	5
3.2 <i>Collection of Disputed Amounts Related to Early Termination</i>	6
3.3 <i>Collection of Accounts that Were Paid</i>	7
3.4 <i>Collection of Fees and Interest Charges Not Authorized by Lease</i>	8
<b>4. PROBLEMS WITH COLLECTING OLD DEBTS</b>	9
<b>5. PROBLEMS WITH VERIFICATION OF THE DEBT</b>	10
5.1 <i>Failure to Provide Requested Verification</i>	10
5.2 <i>Failure to Address Identity Theft</i>	11
<b>6. PROBLEMS WITH CREDIT REPORTING</b>	12
6.1 <i>Credit Reporting Legal Protections</i>	12
6.2 <i>Inaccurate Information Reported to Credit Bureaus</i>	13
6.3 <i>Failure to Contact Consumer about Alleged Rental Debt Before Reporting to Credit Bureaus</i>	13
6.4 <i>False or Misleading Statements about Credit Reporting</i>	14
6.5 <i>Impact of Alleged Rental Debt on Credit Reports</i>	15
<b>7. PROBLEMS WITH COMMUNICATIONS</b>	17
7.1 <i>Excessive or Abusive Calls</i>	17
7.2 <i>Continued Use of Method of Communication after the Consumer Asked Collector to Stop Using that Method</i>	18

---

<b>8. CONCLUSION AND RECOMMENDATIONS</b>	19
<i>Recommendations for the CFPB</i>	19
<i>Recommendations for the FTC</i>	20
<i>Recommendations for State Attorneys General</i>	20
<i>Recommendations for State Legislatures</i>	20
<b>ENDNOTES</b>	22

# 1. INTRODUCTION

Millions of people lost their jobs and fell behind on rent due to the economic disruption caused by the COVID-19 pandemic. The Federal Reserve estimates that, as of late 2021, renters owed \$9.3 to \$10.9 billion in total back rent.<sup>1</sup>

Tenants with alleged rental debts face a host of long-term consequences, including the inability to secure safe and affordable new housing.<sup>2</sup> Landlords often automatically reject applications from potential tenants who are alleged to owe money to former landlords. Most landlords use tenant screening reports that include a credit report,<sup>3</sup> including information about rental debt, so they learn about their alleged debt that way. Yet credit reports are notoriously riddled with errors.<sup>4</sup>

Rental debt can appear on a credit report as a debt collection item for up to seven years. When rental debt appears on a tenant's credit report, the tenant may be forced to turn to landlords who charge above-market rates for low-quality housing or may even become homeless. A fall 2021 survey of legal services and nonprofit tenants' rights attorneys found that 49% had clients who had trouble finding housing due to rental debt on their credit reports.<sup>5</sup>

Federal Reserve data highlights racial disparities regarding which renters were behind on rent in 2021. Black and Hispanic renters were more likely to be in arrears compared to other renters. More than one in five Black and Hispanic renters were behind compared to 13% of white households and 8% of Asian households.<sup>6</sup> Another study found that 67% of people behind on rent were people of color.<sup>7</sup>

With the rapidly rising cost of rent<sup>8</sup> and inflation driving up the cost of a variety of consumer goods,<sup>9</sup> tenants face continued economic disruption. In addition to this economic uncertainty, many renters confront debt collectors pursuing them for alleged rental debts. Collection efforts may include: communicating by phone, email, text, or mail; reporting overdue debts to credit reporting agencies; or filing collection lawsuits.

Rental debt is money allegedly owed due to a current or prior tenancy. In addition to past due rent such as back rent from the pandemic, rental debt may also include claims for fees associated with breaking a lease and alleged damages to the rental property.

This report discusses common problems faced by consumers experiencing debt collection for alleged rental debts as reported to the Consumer Financial Protection Bureau (CFPB) via consumer complaints.<sup>10</sup> These include problems

Rental debt is money allegedly owed due to a current or prior tenancy. In addition to past due rent such as back rent from the pandemic, rental debt may also include claims for fees associated with breaking a lease and alleged damages to the rental property.

with: the amount of debt owed, the collection of old debts, verification of the debts, credit reporting, and communication. Each type of problem is discussed below in Sections 3 to 7, quoting complaint narratives to highlight consumer voices. This report concludes with suggested actions that the CFPB, the Federal Trade Commission (FTC), state attorneys general, and state legislatures can take to assist consumers with alleged rental debts.

## 2. METHODOLOGY

This report is based on an analysis of consumer complaint narratives that are publicly available in the CFPB Consumer Complaint Database.<sup>11</sup> With the help of consumer advocates from around the country, we compiled a list of 16 debt collectors engaged in the collection of rental debt.<sup>12</sup> We found over 1,500 complaint narratives in the Database about these debt collectors, and, to understand consumers' experiences and concerns, we reviewed them all. The narratives reviewed were filed between March 2020 and May 2022. We chose this time frame to focus on consumer experiences during the pandemic and in the months after pandemic protections such as federal, state, and local rental assistance funding<sup>13</sup> and eviction moratoriums had expired.<sup>14</sup>

We have excerpted consumer narratives throughout this report, unedited from how they appear in the Consumer Complaint Database. The CFPB redacted potentially identifying information, such as names, cities, dates, and specific amounts owed before posting the complaints to the Database. The complaints cited in this report are reproduced in full in [Appendix A](#).

## 3. PROBLEMS WITH THE AMOUNT OF RENTAL DEBT

Many consumers complained about discrepancies between what they understood they owed and the amount being collected. Frequently, consumers complaining about the amount of rental debt reported that they did not owe any debt at all.<sup>15</sup> Four themes emerged from these complaints, which we discuss in the subsections below: 1) charges were excessive or unreasonable, 2) charges were disputed amounts related to early lease termination, 3) charges were sought for accounts that consumers had paid, and 4) charges were sought for amounts not authorized by their lease agreement.

The federal Fair Debt Collections Practices Act (FDCPA) prohibits debt collectors from misrepresenting the character, amount, or legal status of any debt,<sup>16</sup> and from collecting any amount that is not "expressly authorized by the agreement



creating the debt or permitted by law.”<sup>17</sup> Some complaints describe collection conduct that may violate these or other provisions of the FDCPA.

### *3.1 Collection of Excessive or Unreasonable Charges*

Consumers reported excessive charges for repairs to apartments. Some reported being charged the full cost of replacing furnishings, instead of being charged for damage beyond normal wear and tear.<sup>18</sup> Small and incidental damages resulted in charges that were well beyond what appeared reasonable.

“She’d told me that . . . there were no observed damages. Apparently, sometime last year they made the decision to replace the carpet on my dime, despite there being no clause in the lease allowing that.”

*Source:* Excerpted from CFPB Consumer Complaint 4307763, filed Apr. 18, 2021.

Other cases involved charges that should never have applied to the consumer. Consumers were charged for a carpet-cleaning fee when the apartment had no carpeting,<sup>19</sup> for trash removal after they vacuumed and cleaned the apartment and were refused a walk-through,<sup>20</sup> and for Americans with Disabilities Act accommodations the landlord was allegedly required to provide.<sup>21</sup> In most of these complaints, consumers alleged that the debt collector continued to seek payment despite their disputes.<sup>22</sup>

Some tenants secured assurances that they left their units in satisfactory condition, or that charges would be minimal and easily covered by a security deposit, only to have a debt collector contact them months or years later.<sup>23</sup> Even after the tenants disputed the charges, the debt collectors still sought payment.

“XXXX notified me that everything was left in satisfactory condition and that I would only have to pay for replacement of blinds, new paint and carpet replacement. . . . 2 days later XXXX called me back and said good news you don’t have to pay for carpet and paint because you were there 2 years and after that it’s considered normal wear and tear and the company is responsible for that. . . . Time went on and in XX/XX/XXXX we receive an alert from all 3 major credit Bureaus that [debt collector] had placed a collections for {\$1300.00} on our credit reports. . . . I contacted [debt collector] and explained what happened. . . . The representative was rude and wasn’t helpful at all and continued to ask when and how I plan to take care of this debt.”

*Source:* Excerpted from CFPB Consumer Complaint 3735671, filed July 8, 2020.

COVID-19 hampered consumers' ability to protect themselves from unreasonable charges. Many property management company offices were closed, services limited, and walk-throughs denied to prevent the spread of the virus.<sup>24</sup> One consumer even reported being contacted by a debt collector after the landlord refused to accept federal rental assistance to cover the back rent.<sup>25</sup>

### *3.2 Collection of Disputed Amounts Related to Early Termination*

Consumers who followed the lease-breaking procedures outlined in their rental agreements reported that their landlords charged them additional fines and fees beyond those stated in the lease. Some consumers reported notifying landlords in the manner required by the lease and still being charged for subsequent months after termination of the lease.<sup>26</sup> Others allege being charged in excess of the months remaining on their lease.<sup>27</sup> When consumers provided information to debt collectors rebutting their alleged debt, the collection agencies were frequently unresponsive.<sup>28</sup> Some of these disputes occurred because consumers had to move to lower-cost housing during the pandemic because they lost their jobs or their work hours were reduced.

“My place of employment closed their doors and I had no work during the pandemic. . . . I told the office i was moving out because i couldn’t afford to live there anymore so XXXX and XXXX rent was not paid, I moved out end of XXXX. I had the place professionally cleaned so there was no issues. the offices where closed and had no contact with anyone! so i emailed the office that it was clean and keys on table. thinking I was doing the right thing by moving out. . . . The moment they received the letter at XXXX, XXXX called me very rudely and said she was sending me to collections. . . . I even hired a lawyer that sent a demand letter and the collections agency sent back with only a 50 % settlement offer.”

Source: Excerpted from CFPB Consumer Complaint 4548262, filed July 16, 2021.

In other cases, consumers reported that landlords made verbal agreements or led consumers to believe that there would be no charge for an early move-out due to violence,<sup>29</sup> uninhabitable living conditions,<sup>30</sup> or the COVID pandemic,<sup>31</sup> only to send a balance to collections.<sup>32</sup>

“I moved out of mallard cove apartments in XXXX va in XXXX of 2019 due to a protective order and domestic XXXX. I was advised that I did not owe any money. I never received anything in the mail from the apartment complex nor collections. I recently pulled my credit report and saw a collection company, national credit systems showing {\$810.00} due for mallard cove.”



Source: Excerpted from CFPB Consumer Complaint 5211956, filed Feb. 11, 2022.

Lastly, servicemembers reported being charged for rent after they broke their lease.<sup>33</sup> Under the Servicemembers Civil Relief Act, servicemembers have statutory protections for breaking a lease as long as they notify the landlord in advance and provide them with copies of their military orders.<sup>34</sup> Similar to the other lease disputes, debt collection agencies were not responsive to these disputes.<sup>35</sup>

“I moved out of apartment due to military orders. The complex was notified (multiple times) months in advance with no response until the month of the move out date. Apartment was clean upon moving out. After sending them the proper documentation (military orders), they still have not removed the account and now are saying there is an outstanding balance due to condition of the apartment after move. I have sent in documentation of the condition of the apartment after I left, including a video. Proving the condition of the apartment was adequate.”

Source: Excerpted from CFPB Consumer Complaint 5286318, filed Mar. 4, 2022.

### 3.3 Collection of Accounts that Were Paid

Many consumers complained that debt collectors contacted them about accounts that were already paid, including continued efforts to collect after the consumer presented evidence of payment.

Consumers reported settling their account with the landlord only to be contacted by a debt collector for an alleged balance.<sup>36</sup> Occasionally, debt collectors contacted consumers despite written evidence of payment.<sup>37</sup>

“We submitted proof of the last payment made via check and chased to the apartment complex, letter of satisfaction from the apartments on company letter head and a billing statement showing a XXXX balance. All this information was sent to [debt collector] via XXXX (Tracking XXXX), it was delivered and signed by XXXX XXXX. After all this, it was considered satisfied. XX/XX/XXXX, we started getting more phone calls from [debt collector] that we still owed them {\$930.00}. We have spoken with The XXXX office managerXXXX XXXX XXXX who had confirmed that the debt was satisfied . . . [debt collector] confirmed that they received our correspondence from XXXX but is not sufficient.”

Source: Excerpted from CFPB Consumer Complaint 5122736, filed Jan. 18, 2020.

More frequently, consumers reported that debt collectors contacted them in spite of the fact that their landlords provided oral confirmation that their rental accounts were settled.<sup>38</sup>

“They assured me all my debts were settled at the final walkthrough. XXXX month later I see a collections notice on my credit report. I did not receive any notice at my new address from XXXX or the collections company . . . even though I left a forwarding address. . . . I called [debt collector] to question the validity of this and they switch on to full predatory mode and gave me a week to pay.”

Source: Excerpted from CFPB Consumer Complaint 5093104, filed Jan. 11, 2022.

Consumers reported that collectors refused to remove collection items from their credit report even after being presented with evidence of payment.<sup>39</sup>

“I have a paid in full letter from them and they say that I still owe them money and this was supposed to be removed off my credit report and its been pass seven [years] . . . [T]hey keep calling me harassing me about payment.”

Source: Excerpted from CFPB Consumer Complaint 5183217, filed Feb. 3, 2022.

Even when payment was made directly to the debt collection agency, some consumers reported that the collector continued to contact them.

“I sent them a cashiers check in the amount of {\$5100.00}. I then received an email from them saying that I owed XXXX dollars, and that my account was now closed. . . . In XX/XX/XXXX, [debt collector] sent me another bill in the amount of {\$910.00}. Since we had already negotiated the original debt, and I paid off the agreed upon amount, they should not be saying I owe them money again.”

Source: Excerpted from CFPB Consumer Complaint 4734718, filed Sept. 20, 2021.

### ***3.4 Collection of Fees and Interest Charges Not Authorized by Lease***

Consumers reported being contacted by debt collectors seeking to collect extra fees and interest that their rental agreements did not authorize.<sup>40</sup> When consumers pointed to discrepancies between their contracts and the amount being collected or asked debt collectors and landlords to clarify the origins of the fees and interest,<sup>41</sup> they often did not respond or offered insufficient responses to these complaints, as discussed in Section 5 below.

“We talked on the phone about the the debt owed to the XXXX XXXX then I informed her [debt collector] after looking at the charge statement that there were discrepancy and inaccurate information reported from the XXXX XXXX XXXX. When, this was mention to XXXX XXXX she kept referring me to the lease agreement and kept telling me that I still have to pay the debt even if what they are reporting is false. . . . I kept asking for a better explanation to properly understand the charges XXXX proceeded to tell me “ she was not going to keep going back and forth with me.”

*Source:* Excerpted from CFPB Consumer Complaint 5189440, filed Feb. 5, 2022.

## 4. PROBLEMS WITH COLLECTING OLD DEBTS

Many consumers complained that collection agencies sought payment for rental debt beyond the statute of limitations.<sup>42</sup> Consumers have a hard time recognizing and providing proof of payment for old debts because they are less likely to have any documentation showing proof of payment years after moving out of a specific rental.<sup>43</sup>

“I never once received any documentation or notice of debt. I havent gotten phone calls which I appreciate not being bothered but Im finding out about something I dont believe I owe 5 years later from the XXXX XXXX. It is in regards to a rent recovery for some apartment in which I roomed with the lease holder. Yet all rent was payed.”

*Source:* Excerpted from CFPB Consumer Complaint 4299135, filed Apr. 14, 2021.

Some consumers reported that debt collectors threatened legal action over time-barred rental debts.<sup>44</sup> Courts have long recognized that suing or threatening to sue to collect a time-barred debt violates the FDCPA.<sup>45</sup> This practice also violates new federal debt collection regulations issued under the FDCPA.<sup>46</sup>

“[Debt collector] and ‘ XXXX XXXX XXXX ‘ are extorting multiple people for old debt not owed. . . . 5-6 years later. ( After the fact ) Why Now?”

*Source:* Excerpted from CFPB Consumer Complaint 3844509, filed September 13, 2020.

In a few states, state law extinguishes a debt once the statute of limitations has run, making collection of time-barred debt impermissible even out of court.<sup>47</sup> In such states, attempts to collect rental debt after the statute of limitations has run may constitute false and deceptive collection in violation of the FDCPA.<sup>48</sup> Even

when state law does not extinguish the debt once the statute of limitations has run, debt collectors may still engage in false, deceptive, or misleading conduct or unfair or unconscionable conduct in violation of the FDCPA when they attempt to collect the time-barred debt.<sup>49</sup>

Some consumers expressed dismay that unpaid rental debts beyond a state's statute of limitations remained on their credit reports.<sup>50</sup> Many states have statutes of limitations shorter than the seven years that a collection tradeline is allowed to remain on credit reports,<sup>51</sup> so in some cases it is legal for a debt to remain on a credit report for a couple of years after it is time-barred. However, sometimes debt collectors engage in impermissible practices, such as “re-aging” a debt (listing an incorrect, later date as the trigger date for when the seven-year period began to run), allowing a debt to appear on a credit report for more than the permitted time.<sup>52</sup> At least one consumer alleged that a debt collector re-aged a rental debt.

“The debt accrued over {\$2000.00} in interest over the years. ( now over {\$8000.00} ) This debt has to do with apartment complex years ago. ( XXXX XXXX XXXX ) There was an eviction on my record that has fallen off. A new company has taken over and recently this year put it on my credit report as if it were a new account. Ive done a lot of research on this and it is very much illegal. They have threaten to garnish wages from my bank account as well which is also illegal. I have worked very hard on my credit and feel that this is very unfair to act as if this were a new charge and to bring my score down way low when trying to buy a house.”

*Source:* Excerpted from CFPB Consumer Complaint 4268870, filed Apr. 3, 2021.

For additional credit reporting problems, see Section 6 below.

## 5. PROBLEMS WITH VERIFICATION OF THE DEBT

The FDCPA requires debt collectors to “cease collection of the debt . . . until the debt collector obtains verification of the debt” if the consumer disputes the debt in writing within 30 days of receipt of the validation notice.<sup>53</sup> Additionally, the Fair Credit Reporting Act (FCRA) provides certain dispute rights, discussed in Section 6. Despite these legal protections, consumers reported a variety of problems with obtaining verification after a dispute.

### 5.1 *Failure to Provide Requested Verification*

Consumers reported asking debt collectors for specific information about the alleged rental debt, such as an itemized list of charges or proof that they should

be liable for those charges,<sup>54</sup> especially for cleaning and damage-related fees that were assessed with no explanation or proof.<sup>55</sup> Many consumers complained that they never received a response to requests for verification of the alleged debt.<sup>56</sup> Moreover, many consumers reported that the debt collector continued its efforts to collect without responding to the dispute.<sup>57</sup>

“I’ve sent so many dispute letters for this creditor and nothing has changed. This has been such a hassle for me. I have not been able to apply for a rental because of this.”

Source: Excerpted from CFPB Consumer Complaint 4271189, filed Mar. 31, 2021.

“Both the company and the three bureaus have failed to provide me written proof of the this debt. I have provided proof of my current and past addresses in the last 15 years, which doesn’t comply to what they have on file. The bureau continues to send info has been verified with no proof. . . .”

Source: Excerpted from CFPB Consumer Complaint 5110640, filed Jan. 14, 2022.

Some collection agencies refused to investigate or verify a debt, or simply ignored requests.<sup>58</sup> On one of these occasions, the consumer successfully contacted the landlord, who admitted to making a mistake, but the consumer still faced difficulties stopping collections.<sup>59</sup> Some collection agencies promised to provide supporting documentation after their investigation, but never followed through, or later refused to follow through.<sup>60</sup>

## 5.2 Failure to Address Identity Theft

Many consumers stated that someone stole their identity and used it to rent an apartment.<sup>61</sup> These consumers often disputed their debts and asked the debt collectors to verify information about the accounts.<sup>62</sup>

Consumers who had been victims of identity theft asked for verification from the debt collectors, which debt collectors did not always supply.<sup>63</sup> Others filed identity theft reports with the FTC or the police, and sent copies to the debt collectors.<sup>64</sup> Despite informing the debt collector of the identity theft, consumers reported that collection did not stop<sup>65</sup> or that debt collectors continued to furnish their information to the credit bureaus.<sup>66</sup>

“I’ve submitted information to [debt collector] such as my state issued drivers license, proof of address being my current apartment ledger which my lease begin in XXXX up to this year of XXXX. . . . This company

refuses to remove the collections from my reports which a representative stated that the information I submitted to them was not enough information.”

*Source:* Excerpted from CFPB Consumer Complaint 3727392, filed Jul. 2, 2020.

“I advised their representatives that I already submitted a fraud letter to them and had already had one account removed. They refused and just wanted payment.”

*Source:* Excerpted from CFPB Consumer Complaint 5068992, filed Jan. 4, 2022.

The FCRA gives consumers who have been the victim of identity theft the right to request and obtain documents involved in that theft from the business that extended the credit or entered into the transaction with the thief. The business must “provide a copy of application and business transaction records in the control of the business entity . . . evidencing any transaction alleged to be a result of identity theft.”<sup>67</sup> A debt collector ignoring a consumer’s requests for information could be in violation of this provision. The FCRA does not contain a private remedy for this provision, but government agencies (CFPB, FTC and state attorneys general) have authority to enforce this requirement.

## 6. PROBLEMS WITH CREDIT REPORTING

### 6.1 Credit Reporting Legal Protections

The FCRA is designed to protect consumers from inaccurate information, requiring consumer reporting agencies (CRAs)—such as Equifax, Experian and TransUnion—to have “reasonable procedures to assure maximum possible accuracy.”<sup>68</sup> The FCRA also gives consumers the right to dispute inaccurate information and get it corrected.<sup>69</sup>

Entities such as debt collectors that furnish information to CRAs, called “furnishers,” also have obligations under the FCRA. These obligations include refraining from furnishing information that the collector knows or has reasonable cause to believe is inaccurate and investigating disputes that consumers lodge either directly with the furnisher<sup>70</sup> or with a CRA.<sup>71</sup> Consumers can privately enforce violations only of the latter requirement.<sup>72</sup>

Debt collectors communicating false information to a CRA may also violate the FDCPA’s prohibition against “[c]ommunicating or threatening to communicate to any person credit information which is known or which should be known to be false.”<sup>73</sup> This includes the “failure to communicate that a disputed debt is disputed.”<sup>74</sup>



Additionally, since November 30, 2021, new federal debt collection regulations require debt collectors to take certain steps to notify consumers about alleged debts before furnishing information about the debt to CRAs.<sup>75</sup> Statements made by a debt collector about credit reporting can also violate the FDCPA's prohibition of false, deceptive, or misleading representations.<sup>76</sup>

## ***6.2 Inaccurate Information Reported to Credit Bureaus***

Consumers often complained that information about alleged rental debt was erroneously being reported to credit bureaus and that they lacked the means to challenge it.<sup>77</sup>

“The landlord has submitted (significantly inflated) charges to the credit bureau that were not to be included per the agreement and magistrate order. I disputed this with the credit bureaus. XXXX removed the debt, XXXX and XXXX have not. I have contacted the collection agency directly to dispute the debt, they have not responded.”

*Source:* Excerpted from CFPB Consumer Complaint 3963566, filed Nov. 19, 2020.

One complication with challenging rental debt using the FCRA is a negative case from the U.S. Court of Appeals for the 11th Circuit, *Batterman v. BR Carroll Glenridge, L.L.C.*<sup>78</sup> The court there held that a consumer's claim that a rental debt reported to a CRA was inaccurate because he did not owe the rent due to uninhabitable conditions was a “legal dispute” that the FCRA did not require the CRA to resolve.<sup>79</sup> However, the CFPB and FTC have taken the position that the language of the FCRA does not support this exception for “legal disputes” from the Act's dispute investigation requirements.<sup>80</sup>

## ***6.3 Failure to Contact Consumer about Alleged Rental Debt Before Reporting to Credit Bureaus***

Consumers frequently learned that someone was attempting to collect alleged rental debt only when it appeared on their credit report.<sup>81</sup> Many consumers stated that the alleged rental debt was reported to the credit bureaus without any attempt to contact them.<sup>82</sup>

In some cases, the lack of contact was due to the debt collector deliberately “parking” the alleged rental debt on the credit report without sending the consumer the “validation notice” that the FDCPA requires the collector to send within five days of the initial communication with a consumer.<sup>83</sup> Instead, the collector simply waited for the consumer to contact it the next time the consumer needed to access credit to buy a car, get a job, or rent a new apartment. As

discussed in Section 6.1, parking debts on credit reports after November 30, 2021 violates the FDCPA.<sup>84</sup>

“I have never received any letter or phone calls from XXXX XXXX regarding the issue. I have made an attempt to reach out to them via email on XX/XX/XXXX, at XXXX ( which was the email of the person who sent my last lease ) and putting in a direct request on the company ‘s website XXXX XXXX XXXX XXXX XXXX a couple of days afterwards. No one has reached out to me regarding the matter.”

Source: Excerpted from CFPB Consumer Complaint 4951110, filed Nov. 27, 2021.

In other cases, debt collectors may have attempted to send notices to the consumer about the alleged rental debt that the consumer never received because, for example, they were sent to the wrong address.<sup>85</sup>

“[Debt collector] claim to have sent a bill in XX/XX/XXXX to XXXX. . . . Which I had moved out of in XXXX of XXXX. . . . They also never called or emailed me, despite sure deposit a subsidiary having a copy of it. The representative I spoke to claimed that they called my number, but was unable to produce any logs of the calls.”

Source: Excerpted from CFPB Consumer Complaint 4307763, filed Apr. 18, 2021.

## 6.4 False or Misleading Statements about Credit Reporting

Consumers reported that debt collectors promised to remove their overdue debts from their credit reports as a part of paying off the debt or a settlement agreement and then refused to do so.<sup>86</sup>

“We paid [debt collector] {\$3900.00} on XX/XX/2021. The representative informed us the debt would be removed from our credit report. The debt is still showing on our credit report. . . . [Debt collector] enticed us to pay the debt in full, by explaining the debt would be removed from our credit report.”

Source: Excerpted from CFPB Consumer Complaint 5053903, filed Dec. 29, 2021.

“[T]hey not only failed to mark account as disputd, they kept on insisting that I MUST pay and there is no other option. I was told if I paid the item would be removed from my credit report, which didnt happen.”

Source: Excerpted from CFPB Consumer Complaint 4635621, filed Aug. 16, 2021.

Unless the debt collector removes the collection tradeline, a paid collection tradeline will be reported as “paid” on a credit report and remain visible for the remainder of the seven years since the account was first delinquent. If the debt collector led a consumer to believe that the marks would be entirely removed, this could be a false, deceptive, or misleading representation in violation of the FDCPA.<sup>87</sup>

## 6.5 Impact of Alleged Rental Debt on Credit Reports

Landlords often reject potential tenants with alleged rental debt. In complaints to the CFPB, consumers reported that they struggled to find new housing.<sup>88</sup>

“[Debt collector] purchased a debt against me for an apartment lease that I did not live in or rent from. My credit was affected by this and I am currently denied housing from leasing companies due to this.”

Source: Excerpted from CFPB Consumer Complaint 5190526, filed Feb. 5, 2022.

“[I]n 2015 our leasing agency filed for eviction because we fell behind on rent this was our second lease and we were a military family and I was awaiting my MEB which is the medical evaluation board for the XXXX XXXX. I am a wounded warrior in a XXXX and the XXXX applied then and the company knew of my military service. Then after they seized our residence they sue us for damages that were non existing. Since that eviction we have been mostly homeless and unable to find adequate housing. They had given the XXXX damage bill to debt collectors numerous times and I try and get it removed it always popped back up. Now they have sued only my wife I’m small claims court.”

Source: Excerpted from CFPB Consumer Complaint 3898643, filed Oct. 14, 2020.

Other consumers first heard of their alleged rental debt when they applied for a mortgage or a car loan. The alleged rental debt on their credit report prevented them from being able to get a mortgage or a car loan at all or inflated the cost of obtaining this credit.<sup>89</sup> To avoid higher interest rates, some consumers pay the debt, despite believing it is incorrect.<sup>90</sup>

“The only reason we were made aware of the collection on the bureaus was when we were getting ready to purchase a Home. We have since paid this debt in full. But this is still an issue because we are now trying to refinance our home and it’s showing a as a negative on my bureaus and causing me not get the refi or pay a higher interest rate. This is simply not right.”

Source: Excerpted from CFPB Consumer Complaint 4052071, filed Jan. 6, 2021.

Other consumers experienced pressure at work and in their careers due to alleged rental debts. Consumers faced difficulty seeking jobs that required a security clearance since they had an account that was in collections.

“I was honestly content with leaving this illegal debt unresolved until it fell off my credit, but I applied for a job that requires a high-level security clearance.”

*Source:* Excerpted from CFPB Consumer Complaint 3908271, filed Oct. 20, 2020.

“I am a federal employee with a clearance and I am applying for new federal positions which do not accept applicants with accounts that have been in collections ( Army Chaplaincy and a federal law enforcement agency ).”

*Source:* Excerpted from CFPB Consumer Complaint 3897749, filed Oct. 13, 2020.

Another consumer complained that an erroneous debt harmed his credit score, disqualifying him from a Small Business Administration loan.<sup>91</sup> One consumer complained that debt collection calls to them at their places of employment put their job at risk.<sup>92</sup>

Consumer complaints described the coercive power that debt collectors wield by reporting alleged rental debts.

They have ridiculous power over someone’s credit and this should not be allowed.<sup>93</sup>

*Source:* Excerpted from CFPB Consumer Complaint 4511846, filed Jul. 2, 2021.

“[Debt collector] said that he was going to report it to the credit bureaus which would ruin my credit, He said they would take action against me. He then said I could mail the ledger to their PO box [to prove that no money was owed] but that its better to just pay it because it would take a long time to resolve it and in that time it would go on my credit.”

*Source:* Excerpted from CFPB Consumer Complaint 3770299, filed July 29, 2020.

## 7. PROBLEMS WITH COMMUNICATIONS

### 7.1 Excessive or Abusive Calls

Many consumers complained that debt collection calls were incessant, unpleasant, and abusive. The FDCPA prohibits debt collectors from engaging in “conduct the natural consequence of which is to harass, oppress, or abuse,”<sup>94</sup> and includes specific provisions prohibiting profane language and causing the telephone to ring repeatedly with the intent to annoy or harass.<sup>95</sup> Federal debt collection regulations that took effect on November 30, 2021 also specify that a debt collector is presumed to violate these requirements if it attempts to call the consumer more than seven times in seven days or speaks to the consumer more than once in seven days about a specific account.<sup>96</sup>

Consumers reported that debt collectors used aggressive tactics to extract payments, even when consumers told the collectors that they did not owe the debt.<sup>97</sup>

“[Debt collector] has continued to report and aggressively trying to collect on this erroneous collection threatening levy, arrest and ceasure of assets. . . .”

Source: Excerpted from CFPB Consumer Complaint 4824571, filed Oct. 19, 2021.

Other consumers reported calls that were rude, hostile, or vulgar,<sup>98</sup> or contacted consumers at unreasonable hours.<sup>99</sup>

“They sent me one letter and proceeded to call me 5 times a day for the past 4 months even though I paid most of the {\$820.00} we agreed on! I cant even sleep at a decent time because usually that 5th call they make is around XXXX!”

Source: Excerpted from CFPB Consumer Complaint 3899710, filed Oct. 14, 2020.

Consumers who lost work or otherwise faced hardships during the COVID-19 pandemic complained that debt collectors were rude or abusive and pressured them to pay immediately.<sup>100</sup>

“Even though Ive expressed to them several times I am trying to figure out how to pay the remaining balance because Ive been out of work due to an injury and COVID. Whenever I explained this to someone, they raised their voice at me and told me that was not their problem and I shouldve paid the bill as soon as they sent it to me and since I didnt, its going on my credit to damage it.”

Source: Excerpted from CFPB Consumer Complaint 3899710, filed Oct. 14, 2020.

“[Debt collector] keeps calling and harassing me about an old debt to my previous landlord. I explained to them several times that I couldn’t previously pay the debt because I was out of work due to COVID. . . . The agent started being very disrespectful and had previously hung up on me when I wouldn’t agree to pay the amount that they requested.”

Source: Excerpted from CFPB Consumer Complaint 4232289, filed Mar. 20, 2021.

Harassing and abusive communications left consumers with alleged rental debt exasperated, angry, and hopeless.<sup>101</sup>

“I’m tired of them haunting me. Why break me down when I’m already broken??? People are DYING!”

Source: Excerpted from CFPB Consumer Complaint 3798587, filed Aug. 16, 2020.

“IN NO WAY IS THIS ACCEPTABLE! . . . I work VERY HARD! I’m tired of them calling me and threatening me!”

Source: Excerpted from CFPB Consumer Complaint 3714193, filed Jun. 24, 2020.

Faced with harassment, consumers may believe that they have no choice but to pay a debt that they do not owe.

“They’ve completely ignored me and proceeded to harass me so much for collecting me, that I had to block them. In XXXX, during the pandemic, I became literally XXXX. I had no choice but to do a pay to delete.”

Source: Excerpted from CFPB Consumer Complaint 3798587, filed Aug. 16, 2020.

## ***7.2 Continued Use of Method of Communication after the Consumer Asked Collector to Stop Using that Method***

Consumers reported receiving phone calls about alleged rental debts after asking debt collectors to stop calling them.<sup>102</sup> Federal debt collection regulations that took effect on November 30, 2021 clarified that debt collectors are prohibited from using a method of communication after the consumer requests that they stop using that method.<sup>103</sup> In other words, if a consumer tells the debt collector to stop calling, the debt collector must do so—even if the consumer makes the



request orally. Unfortunately, complaints filed after the rule took effect suggest continued non-compliance.<sup>104</sup>

## 8. CONCLUSION AND RECOMMENDATIONS

Using the CFPB's consumer complaint portal, consumers with alleged rental debts in collection have expressed a variety of significant concerns, including problems with the amount of debt owed, the collection of old debts, verification of the debts, credit reporting, and means of communication.

The CFPB, the FTC, state attorneys general, and state legislatures should take action to address the concerns raised in these complaints.

### *Recommendations for the CFPB*

The problems highlighted above fall squarely within the CFPB's authority over debt collection and credit reporting under the FDCPA, the FCRA, and the Dodd-Frank Act. The CFPB should exercise that authority to:

- Prohibit debt collectors from seeking payment for amounts that were paid by emergency rental assistance programs during the pandemic.
- Prohibit credit reporting of rental arrears if emergency rental assistance funds have been paid, and require deletion of any such collection items on credit reports.
- Bring enforcement actions against debt collectors for practices involving rental debt that violate the FDCPA or FCRA.<sup>105</sup>
- Collaborate with the FTC and state attorneys general to pass along information about abusive practices by landlords and property managers when these practices fall outside of CFPB authority.
- Collaborate with other federal agencies to undertake thorough quantitative and qualitative research on the ongoing impact of collection and credit reporting of rental debt—both pandemic-era debt and other rental debt.
- Evaluate whether rental debt should be included at all in credit reports, including conducting research as to whether it is predictive for purposes of credit underwriting and tenant screening and whether its reporting has a disparate impact on consumers of color.
- Require debt collectors to obtain and review appropriate documentation of alleged rental debts before engaging in any collection activity, including whether the housing provider is entitled to such amounts under state law and complied with the procedural requirements of such laws.

- Clarify that collectors must cease collection and engage in additional investigation of portfolios of rental debt accounts where certain red flags are present, including repeated disputes from consumers and assessment of uniform charges for damages (e.g., accounts repeatedly charged the same amount for repainting).

### *Recommendations for the FTC*

Like the CFPB, the FTC has enforcement authority under the FDCPA and FCRA against debt collectors. In addition, it has authority over both debt collectors and landlords under Section 5 of the FTC Act. The FTC should exercise that authority to:

- Bring enforcement actions against debt collectors for practices that violate the FDCPA or FCRA and against landlords and debt collectors for unfair or deceptive acts or practices.
- Collaborate with other federal agencies to undertake thorough quantitative and qualitative research on the ongoing impact of collection and credit reporting of rental debt—both pandemic-era debt and other rental debt.

### *Recommendations for State Attorneys General*

State attorneys general typically have authority to enforce any state debt collection statutes and statutes prohibiting unfair and deceptive acts and practices (UDAP statutes), as well as federal statutes like the FDCPA and FCRA.<sup>106</sup> State attorneys general should:

- Bring enforcement actions against debt collectors, landlords, and property managers engaged in conduct that violates state debt collection statutes, state UDAP statutes, and federal consumer laws where applicable. Any remedies should require implementation of specific reforms and changes in practice.
- Support state legislative changes like those outlined below and use regulatory authority where permissible under existing law.

### *Recommendations for State Legislatures*

The FDCPA does not preempt stronger state law protections,<sup>107</sup> so state legislators can amend state debt collection or UDAP statutes or enact new legislation to protect consumers from abuses involving rental debt. The CFPB also recently clarified that the FCRA does not preempt states from passing laws addressing the furnishing of rental information or prohibiting a consumer reporting agency from including information (or certain types of information) about a consumer's eviction or rental debts.<sup>108</sup> As a result, state legislators can also restrict the reporting of certain information in tenant screening

reports and credit reports and restrict landlords' use of such information. State legislators should:

- Enact state legislation to require collectors, before engaging in any collection activity, to obtain and review appropriate documentation of alleged rental debts, including whether the landlord is entitled to such amounts under state law and complied with the procedural requirements of such laws.
- Enact state legislation to clarify that debt collectors must cease collection and engage in additional investigation of portfolios of rental debt accounts where certain red flags are present, including repeated disputes from consumers and assessment of uniform charges for damages (e.g., accounts repeatedly charged the same amount for repainting).
- Enact state legislation that prohibits tenant screening companies and other consumer reporting agencies from reporting rental debt, or at least from reporting rental debt that arose during the COVID-19 pandemic, and prohibiting housing providers from considering such information.

## ENDNOTES

1. Bd. of Governors of the Fed. Rsrv. Sys., [Economic Well-Being of U.S. Households in 2021](#), 59 (May 2022).
2. [Salt in the Wound: How Eviction Records and Back Rent Haunt Tenant Screening Reports and Credit Scores](#), Nat'l Consumer L. Ctr. (Aug. 2020).
3. Ariel Nelson, [Broken Records Redux: How Errors by Criminal Background Check Companies Continue to Harm Consumers Seeking Jobs and Housing](#), Nat'l Consumer L. Ctr. (Dec. 2019).
4. Federal Trade Comm'n Report to Congress Under Section 319 of the Fair and Accurate Credit Transactions Act of 2003 (Dec. 2012) (study found that 1 in 5 consumers have verified errors in their credit reports, and 1 in 20 consumers have errors so serious that they would be denied credit or need to pay more for it).
5. [Salt in the Wound: How Eviction Records and Back Rent Haunt Tenant Screening Reports and Credit Scores](#), Nat'l Consumer L. Ctr. (Aug. 2020) (very few landlords report rent payments to the credit bureaus, but debt collectors regularly report unpaid rent to the credit bureaus).
6. NCLC, [Assisting Consumers with Rental Debt During COVID-19: Legal Aid and Non-Profit Attorneys Share Their Experiences](#), Dec. 14, 2021.
7. Bd. of Governors of the Fed. Rsrv. Sys., [Economic Well-Being of U.S. Households in 2021](#), 58 (May 2022).
8. Sarah Treuhaft, Michelle Huang, et al., [Rent Debt in America: Stabilizing Renters is key to Equitable Recovery](#), Nat. Equity Atlas (Sept. 16, 2021).
9. Joel Berner and Danielle Hale, [June Rental Report: Despite Record-Breaking Rent, Renting a Home is Still More Affordable in Most Major Metros](#), Realtor.com (July 21, 2022) (“[R]ent remains 23.9% higher than it was in June 2020 and 27.6% higher than in June 2019”).
10. Press Release, U.S. Bureau of Labor Statistics, [Consumer Price Index Summary \(July 13, 2022\)](#) (reporting a 9.1 percent increase in the Consumer Price Index over the past year).
11. The CFPB accepts consumer complaints at: <https://www.consumerfinance.gov/complaint/>.
12. [Consumer Complaint Database](#), Consumer Financial Protection Bureau.
13. The rental debt collectors whose CFPB complaints we reviewed are: Carter-Young, Inc., Convergent Outsourcing, Credit International Corporation, First Advantage, FMS Financial Solutions, Radius, U.S. Collections West, National Credit Systems, Fair Collections & Outsourcing, Genesis Credit Management d/b/a/ Columbia Debt Recovery, Hunter Warfield, I.Q. Data International, ProCollect, Rent Recovery Solutions, RentDebt Automated Collections, and Toleteca Enterprises, Inc. d/b/a Phoenix Recovery Group.
14. See, e.g., [Emergency Rental Assistance Program](#), U.S. Dep't of the Treas.
15. [The CDC Eviction Moratorium Has Ended: Learn Your Options](#), Consumer Fin. Prot. Bur. (Aug. 27, 2021).
16. See, e.g., CFPB Consumer Complaint 5276123, filed Mar. 1, 2022 (consumer disputed charges for moving out with insufficient notice and floor replacement); CFPB Consumer Complaint 4398426, filed May 22, 2021 (disputing collection efforts that continued despite proof of payment).
17. 15 USC § 1692e(2)(A).
18. 15 USC § 1692f(1).
19. CFPB Consumer Complaint 4947511, filed Nov. 25, 2021 (replaced whole carpet for small stain without providing proof or documentation to consumer); CFPB Consumer Complaint 5110737, filed Jan. 14, 2022 (charged \$500 for replacing carpet with no explanation for its

necessity or damage); CFPB Consumer Complaint 3775465, filed Aug. 2, 2020 (dispute about the amount owed and condition of the flooring being replaced), CFPB Consumer Complaint 5104308 (charged for carpet replacement despite reasonable wear and tear), filed Jan. 12, 2022; and CFPB Consumer Complaint 5276123, filed Mar. 1, 2022 (consumer disputed \$1300 charge for floor replacement when lease said resident responsible for reasonable cleaning fee).

20. CFPB Consumer Complaint 3705694, filed June 18, 2020 (charged for carpet cleaning when there were no carpets in the apartment, in addition to demanding other charges and keeping \$5,000 from security deposit and full month of rent not owed).
21. CFPB Consumer Complaint 5350244, filed Mar. 22, 2022.
22. CFPB Consumer Complaint 4400966, filed May 24, 2021 (charged over \$9000 for ADA accommodations). Housing providers must pay for reasonable modifications so long as they are not undue financial burdens. Tenants would only be responsible for modifications above the undue financial burden amount. See [Reasonable Accommodations and Modifications](#), U.S. Dep't of Hous. and Urban Dev. (last accessed July 19, 2022).
23. See, e.g., CFPB Consumer Complaint 527612, filed Mar. 1, 2022 ("I asked if he had received my dispute email. . . [H]e tried to continuously deflect and say more and try to urge me to just pay."); CFPB Consumer Complaint 4400966, filed May 24, 2021 ("I try to talk to them and XXXX XXXX XXXX they still reporting this false debt statement."); CFPB Consumer Complaint 4947511, filed Nov. 25, 2021 ("I have personally disputed 3 x a debt with Pro Collect collection agency and XXXX XXXX.")
24. CFPB Consumer Complaint 3904939, filed Oct. 17, 2020; CFPB Consumer Complaint 4307763, filed Apr. 18, 2021 (walk-through denied because of COVID-19 but told apartment was in satisfactory condition).
25. See, e.g., CFPB Consumer Complaint 4388564, filed May 19, 2021; CFPB Consumer Complaint 4947511, filed Nov. 25, 2021.
26. CFPB Consumer Complaint 4448008, filed June 10, 2021; CFPB Consumer Complaint 4389150, filed May 19, 2021; CFPB Consumer Complaint 4388564, filed May 19, 2021; CFPB Consumer Complaint 4307763, filed Apr. 18, 2021; CFPB Consumer Complaint 3956523, filed Nov. 16, 2020 (limiting maintenance services only to emergencies, then charging the consumer for those services)
27. CFPB Consumer Complaint 4290207, filed Apr. 12, 2021.
28. CFPB Consumer Complaint 5068039, filed Jan. 4, 2022 ("Lease terms were [a]fter that, the lease will automatically renew month- to- month unless either party give at least 60 days ' written notice of termination or intent to move out. I gave my 60 days ' written notice and I was still charge the following month along with late charges"); CFPB Consumer Complaint 3605999, filed Apr. 14, 2022 (disputing extra fees imposed on three-month lease).
29. CFPB Consumer Complaint 4052732, filed Jan. 7, 2021 ("Rent was only {\$840.00} plus utilities which equated to about {\$950.00}, which wasnt paid since I moved out for XXXX and XXXX. . . Theres no way I owe {\$4000.00} for 2 months. There was no damage."); CFPB Consumer Complaint 5326250, filed Mar. 15, 2022 (after being unable to afford the apartment due to COVID-19, consumer was charged \$6,000 for lease violations they contest).
30. CFPB Consumer Complaint 5180549, filed Feb. 3, 2022 (provided ProCollect with receipts and agreement with landlord, but ProCollect did not respond and placed collection on credit report). See *a/so* CFPB Consumer Complaint 5083709, filed Jan. 8, 2022 (provided debt collector with lease and payment receipts); CFPB Consumer Complaint 5276123, filed Mar. 1, 2022 (collector did not respond to dispute, instead reported disputed debt to credit bureau).

31. CFPB Consumer Complaint 3640330, filed May 6, 2020 (violent incident occurred at the apartment, and the landlord let consumer out of lease, only to have debt collector contact them months later for back rent); CFPB Consumer Complaint 4023671, filed Dec. 21, 2020 (tenant repeatedly asked to be allowed to move to different apartment because roommate, who had rented apartment much earlier, was violent and abusive; landlord refused, then terminated the lease, forcing both to move out, then sought rent for full remainder of term despite telling tenant, who was in the apartment for less than a month, that amount owed would be much less); CFPB Consumer Complaint 4040547, filed Dec. 30, 2020 (“The manager there did not care the still file eviction against me and have now put it on my credit record. Section 92.016 of the Texas Property Code gives victims of family XXXX the right to vacate and avoid liability.”)
32. CFPB Consumer Complaint 4105338, filed Jan. 30, 2021 (moldy roof made apartment unlivable); CFPB Consumer Complaint 5045329, filed Dec. 27, 2021 (moldy apartment forced move-out and lease cancellation).
33. CFPB Consumer Complaint 5147514, filed Jan. 25, 2022 (landlord allowed no-fault broken leases at the onset of COVID, then sought collections); CFPB Consumer Complaint 4131307, filed Feb. 10, 2021 (consumer moved out after losing his job with the understanding there would be no additional charges), CFPB Consumer Complaint 4937823, filed Nov. 22, 2021 (landlord told consumer “to drop the keys in the mail room when I leave and I will be fine” then charged consumer \$9,700).
34. CFPB Consumer Complaint 5254049, filed Feb. 23, 2022 (verbal agreement following broken lease did not prevent collections action); CFPB Consumer Complaint 4891344, filed Nov. 9, 2021 (“We made a verbal agreement that they could keep my security deposit and lease my apartment... However nearly a year later the full balance of my lease agreement was reported to my credit report.”)
35. See, e.g., CFPB Consumer Complaint 4202933, filed Mar. 10, 2021 (service member broken lease, charged for three months rent).
36. 50 USC § 535.
37. CFPB Consumer Complaint 4722403, filed Sept. 15, 2021 (service member provides proof of notice given to landlord but debt collector still seeks payment); CFPB Consumer Complaint 4071427, filed Jan. 15, 2021 (debt collector unresponsive to inquiries regarding their military orders and validation).
38. See, e.g., CFPB Consumer Complaint 5340857, filed Mar. 18, 2022 (paid the landlord more than they believed they owed on a disputed debt only to have the account credit reported); CFPB Consumer Complaint 5046742, filed Dec. 28, 2021 (landlord kept deposit to cover balance owed when moving out but then collector contacted to collect the same amount again)
39. CFPB Consumer Complaint 5272445, filed Mar. 1, 2022 (despite email from property manager affirming the consumer does not owe an outstanding balance, debt collector continued to report to call), CFPB Consumer Complaint 5304488, filed Mar. 10, 2022 (following identity theft, landlord sent zero balance letter); CFPB Consumer Complaint 4190997, filed Mar. 7, 2021 (“I received a call that I owed an additional {\$780.00} dollars. I provided proof of payments and the statement I received. They stated it must have been an error in the statement.”); CFPB Consumer Complaint 3770299, filed July 29, 2020 (the landlord sent a ledger showing a zero balance but calls continued).
40. CFPB Consumer Complaint 5162436, filed Jan. 28, 2022 (alleging landlord told them they were settled upon move out, but debt collectors continued to seek payment); CFPB Consumer Complaint 4046158, filed Jan. 4, 2021 (stating landlord said they did not owe anything upon move out and were contacted by RentDebt); CFPB Consumer Complaint



- 3608193, filed Apr. 15, 2020 (property manager said the consumer would not be responsible for the debt).
41. CFPB Consumer Complaint 4339399, filed Apr. 30, 2021 (attempting to remove derogatory marks from credit report with original creditors' support); CFPB Consumer Complaint 4741150, filed Sept. 21, 2021 (provided debt collector with proof of settlement with landlord but credit reporting remains inaccurate).
  42. CFPB Consumer Complaint 4979939, filed Dec. 6, 2021 (disputing \$2,400 charge for "early term fee" that was not in the lease); CFPB Consumer Complaint 5326250, filed Mar. 15, 2022 (disputing charges for breaking lease early where landlord re-rented the apartment immediately).
  43. CFPB Consumer Complaint 3593613, filed Apr. 5, 2020; CFPB Consumer Complaint 5129334, filed Jan. 20, 2022; CFPB Consumer Complaint 3723877, filed July 1, 2020.
  44. CFPB Consumer Complaint 5030530, filed Dec. 21, 2021 ("When I spoke to RentDebt Automation on XX/XX/2021, the company shared that the debt was too old for a law suit or to be collected."); CFPB Consumer Complaint 3816534, filed Aug. 27, 2020; CFPB Consumer Complaint 4701936, filed Sept. 9, 2021; CFPB Consumer Complaint 5241728, filed Feb. 19, 2022; CFPB Consumer Complaint 5417135, filed Apr. 6, 2022; and CFPB Consumer Complaint 3817830, filed Aug. 27, 2020.
  45. CFPB Consumer Complaint 5285990, filed Mar. 4, 2022 (expressing confusion about reason for alleged rental debt appearing on credit report five years later).
  46. CFPB Consumer Complaint 4268870, filed Apr. 3, 2021; CFPB Consumer Complaint 3844509, filed September 13, 2020 (sub-issue for complaint was "Threatened to sue you for very old debt"); CFPB Consumer Complaint 3658128, filed May 18, 2020 (same).
  47. National Consumer Law Center, [Fair Debt Collection](#) §§ 7.4.9.3, 7.4.9.4 (10th ed. 2022)
  48. 12 C.F.R. § 1006.26(b).
  49. Miss. Code Ann. § 15-1-3(1) ("The completion of the period of limitation prescribed to bar any action, shall defeat and extinguish the right as well as the remedy."); N.C. Gen. Stat. § 58-70-115(4) ("No collection agency shall collect or attempt to collect any debt by use of any unfair practices. Such practices include, but are not limited to, the following: . . . (4) When the collection agency is a debt buyer or is acting on behalf of a debt buyer, bringing suit or initiating an arbitration proceeding against the debtor or otherwise attempting to collect on a debt when the collection agency knows, or reasonably should know, that such collection is barred by the applicable statute of limitations."); Wis. Stat. Ann. § 893.05 ("When the period within which an action may be commenced on a Wisconsin cause of action has expired, the right is extinguished as well as the remedy.").
  50. 15 U.S.C. § 1692e
  51. 15 U.S.C. §§ 1692e, 1692f. See National Consumer Law Center, [Fair Debt Collection](#) § 7.4.9.6.1 (10th ed. 2022).
  52. CFPB Consumer Complaint 4701936, filed Sept. 9, 2021; CFPB Consumer Complaint 3816534, filed Aug. 27, 2020; CFPB Consumer Complaint 5417135, filed Apr. 6, 2022.
  53. See National Consumer Law Center, [Collection Actions](#) § 3.7.4.2 (5th ed. 2020) (listing state statute of limitations for breach of contract claims).
  54. See National Consumer Law Center, [Fair Credit Reporting](#) § 5.2.3.4a.1 (9th ed. 2017) (describing re-aging practices such as reporting the date that the debt collector first receives the account as the date of first delinquency where the account was actually placed for collection earlier).
  55. 15 USC 1692g(b).
  56. CFPB Consumer Complaint 5352545, filed Mar. 22, 2022; CFPB Consumer Complaint

- 5193853, filed Feb. 7, 2022; CFPB Consumer Complaint 5194393, filed Feb. 7, 2022; CFPB Consumer Complaint 3623699, filed Apr. 26, 2020; CFPB Consumer Complaint 4723459, filed Sept. 15, 2021; CFPB Consumer Complaint 4622937, filed Aug. 11, 2021.
57. Consumer Complaint 4570804, filed July 24, 2021 (stating they left apartment in good standing, but owe \$3,100 with no explanation); CFPB Consumer Complaint 3751619, filed July 17, 2020 (no documentation supported \$7k in damages on month-to-month lease); CFPB Consumer Complaint 5052077, filed Dec. 29, 2021; CFPB Consumer Complaint 5424456, filed Apr. 8, 2022.
58. CFPB Consumer Complaint 5501799, filed Apr. 27, 2022; CFPB Consumer Complaint 5318808, filed Mar. 14, 2022; CFPB Consumer Complaint 5285900, filed Mar. 4, 2022; CFPB Consumer Complaint 534494, filed Mar. 20, 2022; CFPB Consumer Complaint 4339361, filed Apr. 30, 2021.
59. CFPB Consumer Complaint 5196768, filed Feb. 8, 2022; CFPB Consumer Complaint 5194393, filed Feb. 7, 2022; CFPB Consumer Complaint 5022577, filed Dec. 19, 2021; CFPB Consumer Complaint 4186665, filed Mar. 5, 2021; CFPB Consumer Complaint 4986971, filed Dec. 8, 2021.
60. CFPB Consumer Complaint 5179564, filed Feb. 2, 2022; CFPB Consumer Complaint 5297179, filed Mar. 8, 2022; CFPB Consumer Complaint 4723628, filed Sept. 16, 2021; CFPB Consumer Complaint 4339361, filed Apr. 30, 2021.
61. CFPB Consumer Complaint 4309830, filed Apr. 19, 2021.
62. CFPB Consumer Complaint 5429063, filed Apr. 10, 2022; CFPB Consumer Complaint 5273998, filed Mar. 1, 2022.
63. See, e.g., CFPB Consumer Complaint 4310150, filed Apr. 19, 2021; CFPB Consumer Complaint 5196768, filed Feb. 8, 2022; CFPB Consumer Complaint 5054275, filed Dec. 29, 2021;
64. CFPB Consumer Complaint 4490146, filed June 24, 2021; CFPB Consumer Complaint 5290297, filed Mar. 5, 2022; CFPB Consumer Complaint 3891645, filed Oct. 10, 2020; CFPB Consumer Complaint 5090885, filed Jan. 10, 2022.
65. CFPB Consumer Complaint 5360521, filed Mar. 23, 2022 (debt collector ignoring consumer's request for documentation); CFPB Consumer Complaint 5179564, filed Feb. 2, 2022; CFPB Consumer Complaint 4443910, filed June 9, 2021; CFPB Consumer Complaint 4490146, filed June 24, 2021. See also § 5.1.
66. CFPB Consumer Complaint 5290297, filed Mar. 5, 2022 (submitting debt collector's "fraud package" as well as a police report); CFPB Consumer Complaint 5530406, filed May 3, 2022 (filing police report); CFPB Consumer Complaint 5360521, filed Mar. 23, 2022 (filing police report).
67. CFPB Consumer Complaint 5131198, filed Jan. 20, 2022; CFPB Consumer Complaint 5196768, filed Feb. 8, 2022; CFPB Consumer Complaint 5335378, filed Mar. 17, 2022; CFPB Consumer Complaint 5022577, filed Dec. 19, 2021.
68. CFPB Consumer Complaint 5035720, filed Dec. 22, 2021; CFPB Consumer Complaint 4317359, filed Apr. 21, 2021; CFPB Consumer Complaint 5359870, filed Mar. 24, 2022; CFPB Consumer Complaint 4046554, filed Jan. 4, 2021; CFPB Consumer Complaint 4996852, filed Dec. 11, 2021; CFPB Consumer Complaint 5376381, filed Mar. 28, 2022; CFPB Consumer Complaint 3727392, filed Jul. 2, 2020;
69. 15 U.S.C. § 1681g(c).
70. 15 U.S.C. § 1681e(b).
71. 15 U.S.C. § 1681i(a).
72. 15 U.S.C. § 1681s-2(a), (a)(8).
73. 15 U.S.C. § 1681s-2(b).

74. National Consumer Law Center, *Fair Credit Reporting*, § 6.10 (10th ed. 2022), updated at [www.nclc.org/library](http://www.nclc.org/library)
75. 15 U.S.C. § 1692e(8). See National Consumer Law Center, *Fair Credit Reporting*, § 6.13 (10th ed. 2022), updated at [www.nclc.org/library](http://www.nclc.org/library)
76. *Id.*
77. 12 C.F.R. 1006.30(a).
78. 15 USC § 1692e.
79. See, e.g., CFPB Consumer Complaint 5501799, filed Apr. 27, 2022; CFPB Consumer Complaint 5360521, filed Mar. 23, 2022; CFPB Consumer Complaint 5196768, filed Feb. 8, 2022.
80. 829 Fed. Appx. 478 (11th Cir. 2020).
81. *Id.*
82. [Brief of Amicus Curiae CFPB, Sessa v. TransUnion, L.L.C.](#), No. 22-87 (2nd Cir. May 5, 2022); [Brief of Amicus Curiae CFPB, Gross v. CitiMortgage, Inc.](#), No. 20-17160 (9th Cir. Apr. 19, 2021). See also CFPB, [Credit reporting companies and furnishers have obligations to assure accuracy in consumer reports](#) (May 6, 2022) (statement of Seth Frotman, CFPB General Counsel) (“Congress was clear that credit reporting companies and furnishers have responsibilities with respect to accuracy—with no exceptions for legal issues.”)
83. See, e.g., CFPB Consumer Complaint 4402682, filed May 24, 2021; CFPB Consumer Complaint 3623699, filed Apr. 26, 2020; CFPB Consumer Complaint 3693897, filed June 11, 2020; CFPB Consumer Complaint 5357797, filed Mar. 23, 2022; CFPB Consumer Complaint 5350244, filed Mar. 22, 2022; CFPB Consumer Complaint 5344949, filed Mar. 20, 2022; CFPB Consumer Complaint 5280110, filed May 2, 2022 (regarding alleged debt to apartment complex); CFPB Consumer Complaint 5211956, filed Feb. 11, 2022; CFPB Consumer Complaint 5090885, filed Jan. 10, 2022; CFPB Consumer Complaint 5066877, filed Jan. 4, 2022; CFPB Consumer Complaint 5045329, filed Dec. 27, 2021.
84. CFPB Consumer Complaint 5066877, filed Jan. 4, 2022; CFPB Consumer Complaint 5344949, filed Mar. 20, 2022; CFPB Consumer Complaint 4951110, filed Nov. 27, 2021; CFPB Consumer Complaint 5285900, filed Mar. 4, 2022; CFPB Consumer Complaint 4754036, filed Sept. 26, 2021.
85. 15 U.S.C. § 1692g(a).
86. 12 C.F.R. 1006.30(a).
87. See, e.g., CFPB Consumer Complaint 5530406, filed May 3, 2022; CFPB Consumer Complaint 4402682, filed May 24, 2021; CFPB Consumer Complaint 3825251, filed Sept. 1, 2020 (“Even after sending them letters from our NEW address, HW has claimed that they have been sending their responses to the old apartment address, which in turn we had not received a one. Obviously we dont live there anymore.”)
88. CFPB Consumer Complaint 4635621, filed Aug. 16, 2021; CFPB Consumer Complaint 3798587, filed Aug. 16, 2020; CFPB Consumer Complaint 5053903, filed Dec. 29, 2021.
89. 15 USC § 1692e.
90. CFPB Consumer Complaint 4325170, filed Apr. 23, 2021; CFPB Consumer Complaint 4951110, filed Nov. 27, 2021; CFPB Consumer Complaint 4255205, filed Mar. 30, 2021; CFPB Consumer Complaint 4271189, filed Mar. 31, 2021.
91. CFPB Consumer Complaint 5317046, filed Mar. 11, 2022; CFPB Consumer Complaint 4443910, filed June 9, 2021.
92. CFPB Consumer Complaint 3635594, filed May 4, 2020; CFPB Consumer Complaint 3605999, filed Apr. 14, 2020 (“We were forced to settle because we can not get a home with this information on credit.”)

93. CFPB Consumer Complaint 3628444, filed Apr. 29, 2020.
94. CFPB Consumer Complaint 4376322, filed May 14, 2021.
95. CFPB Consumer Complaint 4511846, filed Jul. 2, 2021.
96. 15 U.S.C. § 1692d.
97. 15 U.S.C. §§ 1692d(2), (5).
98. 12 C.F.R. § 1006.14(b)(2) (subject to exceptions and the presumption can be rebutted).
99. See, e.g., CFPB Consumer Complaint 3770299, filed Jul. 29, 2020; CFPB Consumer Complaint 4635621, filed Aug. 16, 2021; CFPB Consumer Complaint 5113993, filed Jan. 16, 2022.
100. CFPB Consumer Complaint 3714193, filed Jun. 24, 2020; CFPB Consumer Complaint 4674095, filed Aug. 29, 2021; CFPB Consumer Complaint 5154209, filed Jan. 26, 2022; CFPB Consumer Complaint 3856016, filed Sept. 19, 2020; CFPB Consumer Complaint 4511846, filed Jul. 2, 2021; CFPB Consumer Complaint 5537883, filed May 4, 2022; CFPB Consumer Complaint 4974813, filed Dec. 3, 2021.
101. CFPB Consumer Complaint 4398426, filed May 22, 2021.
102. CFPB Consumer Complaint 4582782, filed Jul. 28, 2021; CFPB Consumer Complaint 3810660, filed Aug. 24, 2020.
103. See, e.g., CFPB Consumer Complaint 3899710, filed Oct. 14, 2020 (“Who does that!? I hope someone does reach out to me to make sure this company’s ways of practice does not go unnoticed!”); CFPB Consumer Complaint 5240743, filed Feb. 19, 2022 (“This is complete fraud and harassment. . . I want this off my credit NOW!!!!”).
104. CFPB Consumer Complaint 4376322, filed May 14, 2021; CFPB Consumer Complaint 4635621, filed Aug. 16, 2021; CFPB Consumer Complaint 3714193, filed Jun. 24, 2020.
105. 12 C.F.R. § 1006.14(h).
106. CFPB Consumer Complaint 5537883, filed May 4, 2022 (sub-issue for complaint was “You told them to stop contacting you, but they keep trying”); CFPB Consumer Complaint 4974813, filed Dec. 3, 2021 (same); CFPB Consumer Complaint 5186134, filed Feb. 4, 2022 (same).
107. See, e.g., [Complaint](#), *Bureau of Consumer Fin. Prot. v. Fair Collections & Outsourcing, Inc.*, 19-cv-2817 (D. Md. Sept. 25, 2019) (allegations of FCRA violations, including failure to conduct reasonable investigations of disputes and identity theft claims by “the largest debt-collection company in the multi-unit-housing industry”).
108. The CFPB recently emphasized the important role of state attorneys general in enforcing federal consumer financial protection laws. [Authority of States to Enforce the Consumer Financial Protection Act of 2010](#), 87 Fed. Reg. 31940 (May 26, 2022).
109. 15 U.S.C. 1692n.
110. [The Fair Credit Reporting Act’s Limited Preemption of State laws](#), 87 Fed. Reg. 41042, 41045 (July 11, 2022).





**National  
Consumer Law  
Center**

**NATIONAL HEADQUARTERS**

7 Winthrop Square, Boston, MA 02110  
(617) 542-8010

**NCLC.ORG**

**WASHINGTON OFFICE**

Spanogle Institute for Consumer Advocacy  
1001 Connecticut Ave, NW, Suite 510  
Washington, DC, 20036  
(202) 452-6252