

## Consumer Financial Protection Bureau Proposes Regulations to Implement the Fair Debt Collection Practices Act

On May 7, 2019, the Consumer Financial Protection Bureau (Bureau) issued a Notice of Proposed Rulemaking (NPRM) to implement the Fair Debt Collection Practices Act (FDCPA). The proposal would provide consumers with clear protections against harassment by debt collectors and straightforward options to address or dispute debts. Among other things, the NPRM would set clear, bright-line limits on the number of calls debt collectors may place to reach consumers on a weekly basis; clarify how collectors may communicate lawfully using newer technologies, such as voicemails, emails and text messages, that have developed since the FDCPA's passage in 1977; and require collectors to provide additional information to consumers to help them identify debts and respond to collection attempts.

### **The proposed rule can be found**

**at: [https://files.consumerfinance.gov/f/documents/cfpb\\_debt-collection-NPRM.pdf](https://files.consumerfinance.gov/f/documents/cfpb_debt-collection-NPRM.pdf).**

Prior to the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), Congress had not delegated to any agency the authority to issue substantive rules to interpret the FDCPA. The Dodd-Frank Act delegated that authority to the Bureau. Today's proposal would:

- **Establish a clear, bright-line rule limiting call attempts and telephone conversations:** The proposed rule generally would limit debt collectors to no more than seven attempts by telephone per week to reach a consumer about a specific debt. Once a telephone conversation between the debt collector and consumer takes place, the debt collector must wait at least a week before calling the consumer again.
- **Clarify consumer protection requirements for certain consumer-facing debt collection disclosures:** The proposed rule would require debt collectors to send consumers a disclosure with certain information about the debt and related consumer protections. This information would include, for example, an itemization of the debt and plain-language information about how a consumer may respond to a collection attempt, including by disputing the debt. The proposal would require the disclosure to include a "tear-off" that consumers could send back to the debt collector to respond to the collection attempt.
- **Clarify how debt collectors can communicate with consumers:** The proposed rule would clarify how debt collectors may lawfully use newer communication technologies, such as voicemails, emails and text messages, to communicate with consumers and would protect consumers who do not wish to receive such communications by, among other things, allowing them to unsubscribe to future communications through these methods. The proposed rule would also clarify how collectors may provide required disclosures electronically. In addition, if consumers want to limit ways debt collectors contact them, for example at a specific telephone number, while they are at work, or during certain hours, the rule clarifies how consumers may easily do so.
- **Prohibit suits and threats of suit on time-barred debts and require communication before credit reporting:** The proposed rule would prohibit a debt collector from suing or threatening to sue a consumer to collect a debt if the debt collector knows or should know

that the statute of limitations has expired. The proposed rule also would prohibit a debt collector from furnishing information about a debt to a consumer reporting agency unless the debt collector has communicated about the debt to the consumer, such as by sending the consumer a letter.

The public is invited to submit written comments on the proposed rule. The Bureau will carefully consider comments received before a final regulation is issued.

###