

CFPB Releases Advanced Notice of Proposed Rulemaking on Debt Collection Practices

November 8, 2013

On Wednesday November 6, the CFPB released an Advanced Notice of Proposed Rulemaking (ANPR) seeking comment on debt collection practices and noting that the Bureau is considering proposing rules regarding debt collection. The CFPB simultaneously announced that it was adding approximately 5,000 consumer debt collection complaints to its public Consumer Complaint Database. According to the announcement, debt collection complaints constituted approximately 30 percent of total complaints filed since July 10, 2013 when the CFPB began accepting debt collection complaints.

With regard to the ANPR, the CFPB seeks information regarding various aspects of the debt collection industry and current practices and comments on possible approaches to regulation. The ANPR cites to the CFPB's authority under the Dodd-Frank Act to prescribe rules implementing the Fair Debt Collection Practices Act, along with its general authority to prescribe rules to prevent unfair, deceptive or abusive acts or practices.

Notable issues raised by the ANPR include:

- whether the Bureau should harmonize regulation of third-party collectors with regulation of first-party collectors;
- whether regulation should depend on the type of debt being collected;
- whether the Bureau should develop requirements related to the transfer of specified information or documents as part of the sale of a debt or the placement of a debt with a third-party collector;
- whether the Bureau should require notification to the consumer when a debt is sold or placed for collection;
- the format and content of validation notices, including the approach to itemization;
- how communications between consumers and industry should be regulated in light of technological advancements; and
- the role of the CFPB in state debt collection litigation.

The ANPR is available [here](#). The ANPR will be published in the Federal Register within the next few days and interested parties will then have 90 days to submit comments.