



## Debt Collection and Consumer Rights

The debt collection industry is one of the most heavily regulated industries. The industry is supervised or monitored by multiple governmental agencies, including but not limited to the Consumer Financial Protection Bureau (CFPB), the Federal Trade Commission (FTC), the Federal Communications Commission (FCC), all 50 Attorneys General and licensure laws in 35 states with a number of bonding and corporate registration requirements in the remaining states. Additionally, Receivables Management Association International (RMAI) implemented its “gold standard” Receivables Management Certification Program in 2013 to promote uniform, consumer-oriented, industry best practice standards.

RMAI believes that all consumers should be aware of their rights if they’re contacted by anyone in the collections industry.

### Your rights under the [Fair Debt Collection Practices Act \(FDCPA\)](#)

The Act’s purpose is to eliminate abusive practices in the collection of consumer debts, to promote fair debt collection and to provide consumers with an avenue for disputing and obtaining validation of debt information to ensure the information's accuracy. The Act creates guidelines under which debt collectors may conduct business, defines rights of consumers involved with debt collectors, and prescribes penalties and remedies for violations of the Act.

### How do you know if your debt collector is legitimate?

If you think that a caller may be a fake debt collector, follow these steps:

- **Ask the caller for their name, company, street address, telephone number, and professional license number.** Many states require debt collectors to be licensed. Check the information the caller provides you with state officials, or the state in which the debt collector holds a license. If the caller refuses or is unable to provide you with information about their company, or if you can’t verify the information the caller provides, do not give money to the caller or company.
- **Tell the caller that you refuse to discuss any debt until you get a written "validation notice."** This notice must include:
  - The amount of the debt
  - The name of the creditor you owe
  - A description of certain rights under the federal FDCPA
  - If a caller refuses to give you all of this information, consider requesting this information in writing or seek assistance before paying the debt to make sure the debt and the company are valid.

**If you're having trouble with debt collection, you can submit a complaint to the CFPB [online](#) or by calling (855) 411-2372.**

## **What constitutes harassment by a debt collector?**

The FDCPA says debt collectors can't harass, oppress, or abuse you or anyone else they contact. Some examples of harassment are:

- Repetitious phone calls intended to annoy, abuse, or harass any person answering the phone
- Obscene or profane language
- Threats of violence or harm
- Publishing lists of people who refuse to pay their debts (this does not include reporting information to a credit reporting company)
- Calling you without telling you who they are

## **Know when a debt collector may contact you**

Debt collectors may not harass you or anyone else over the phone or through any other form of contact. Debt collectors cannot call you at times they know are inconvenient, such as before 8 a.m. or after 9 p.m., unless you specifically agree to it. If a debt collector knows you are not allowed to receive the calls at work then the debt collector is not allowed to call you there.

You have the right to tell a debt collector to stop communicating with you

The CFPB has prepared [sample letters](#) you can use to respond to a debt collector who is trying to collect a debt from the wrong person, as well as tips on how to use them. The sample letters may help you to get information, set ground rules about any further communication, or protect some of your rights. Once a debt collector receives your letter, they may not contact you again except to:

- Tell you there will be no further contact.
- Advise you that it or the creditor may take other specific actions it is legally allowed to take, such as a lawsuit against you.
- You can also tell the debt collector that you do not believe the debt is yours. If you have evidence that the debt isn't yours, you might choose to send copies of relevant information with the letter.

### Keep a copy of your letter.

Send the letter by certified mail and purchase a return receipt so you have proof it was received (keep this in your records, too). You may also send the letter by fax, just be sure to keep a copy of the fax receipt.

## **More Information:**

RMAI maintains a thorough [consumer resources](#) section on its website.

## **About Receivables Management Association International**

Receivables Management Association International (RMAI) is a nonprofit trade association representing more than 600 businesses that support the purchase, sale, and collection of performing and nonperforming receivables on the secondary market. The RMAI Receivables Management Certification Program and Code of Ethics set the global standard within the receivables industry due to the rigorous uniform standards of best practice which focus on protecting consumers. More information about RMAI is available at [www.rmaitl.org](http://www.rmaitl.org).