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September 23, 2025

Director Chris Mufarrige
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Dear Director Mufarrige,

RMAI is a nonprofit trade association representing more than 600 businesses engaged in the purchase or support of performing and nonperforming receivables on the secondary market, including debt buyers, collection agencies, law firms, creditors, brokers, and service providers. The secondary market plays a vital role in lowering credit costs and expanding access to credit for consumers. Since 2013, RMAI's Receivables Management Certification Program has set rigorous industry standards that meet or exceed legal requirements to protect consumers. Today, 539 businesses and individuals hold certification, covering nearly all major U.S. debt buyers and an estimated 80–90% of charged-off receivables.

RMAI members have reported a sharp rise in identity theft disputes. The RMAI Certification Program requires certified companies to maintain clear procedures for investigating fraud or identity theft disputes, pause collection while reviewing claims, and remove accounts proven to be fraudulent. These investigations have shown that disputes are frequently incomplete, confusing, or factually inadequate.

These trends appear to coincide with the rise of online financial influencers, or “fin-fluencers,” who spread misleading advice on how to avoid legitimate debt collection. Their guidance weakens protections for true victims of identity theft and overwhelms the system with baseless claims. This misuse drains resources from valid cases, drives up costs across the financial system, and risks exposing consumers to negative consequences from fraudulent reporting, ultimately damaging both consumers and the stability of the credit marketplace.

Additionally, Credit Repair Organizations (CROs) frequently encourage consumers to file identity theft claims without proper documentation or review. Unlike nonprofit credit counselors who provide individualized guidance, for-profit CROs such as Lexington Law charge fees while relying on generic “robo-letters” and urging consumers to submit affidavits without confirming debt validity or considering their specific circumstances. Some even send letters without the consumer's full knowledge, leaving individuals vulnerable while undermining legitimate protections.

RMAI urges the FTC to update its fraud toolkit by making the following improvements:

1. Require a police report to verify that identity theft has in fact occurred.
2. Provide clear consumer guidance on FTC.gov explaining what identity theft is and what it is not.
3. Clarify the difference between a dispute and identity theft, emphasizing that a dispute is not identity theft.
4. Require use of the most current FTC affidavit and letter when filing a claim.
5. Improve affidavit instructions and accountability by emphasizing specificity and accuracy, and refer consumers who knowingly submit false claims as well as influencers who encourage fraudulent filings to the Department of Justice.
6. Authorize financial institutions, through advisory opinion or bulletin, to request formal documentation before initiating an identity theft investigation.

RMAI recognizes that identity theft is a serious crime with real victims who deserve timely support and protection. Our goal is to strengthen the system so that false reports do not dilute the process, overwhelm resources, or undermine the safeguards meant for those truly harmed. Ridding the process of fraudulent claims will allow regulators and industry to better focus on legitimate victims and ensure the system works as intended.

We welcome the opportunity to continue this discussion with the FTC and to collaborate on practical solutions that enhance both consumer protection and the integrity of the credit system. If RMAI can be of any assistance to the FTC, elaborate on any point contained in our response, or answer any questions you may have, please do not hesitate to contact me at (916) 482-2462 or mbecker@rmaintl.org.

Sincerely,

Michael Becker

Mike Becker
RMAI Executive Director