

ACA International's Blueprint for Modernizing America's Consumer Debt Collection System

About the ACA International Blueprint

Recovering rightfully-owed consumer debt is essential to our nation's economy. Businesses from Main Street to Wall Street rely on the repayment of credit to pay employees, utilities, taxes, insurance and other business expenses. Federal, state, and local governments also rely on the repayment of billions of dollars in uncollected court fees, taxes and other delinquencies. Failure to recover this debt results in business closures, layoffs, higher prices, less available consumer credit and tax increases to close government budget gaps.

The explosive growth in the use of cell phones, the Internet, social media, e-mail and other new technologies has changed how people communicate. ACA's Blueprint is a road map to modernize consumer credit and debt collection in America. Specifically, it outlines substantive public policy proposals to remove unnecessary impediments to effective, straightforward communications between consumers and debt collectors.

- ▶ **1. Use Modern Technology Responsibly:** Allow consumers and collectors to efficiently communicate with each other using modern technology, such as e-mail and cellular telephones.
- ▶ **2. Better, Simplified Communications with Consumers:** Allow consumers and collectors to better and more effectively communicate about debts.
- ▶ **3. Advocate for Responsible Litigation in the Collection Industry:** Ensure equal access to the judicial system for all classes of litigants and hold those litigants acting in bad faith accountable for their actions.
- ▶ **4. Assure Proper Debt Documentation:** Improve the flow of information by clarifying the specific debt information that must be maintained by creditors and asset buyers in order to allow debt collectors to provide documentation responsive to a consumer's dispute regarding the amount of the debt, to whom the debt is owed or who is responsible for paying the debt.
- ▶ **5. Adopt a Federal Seven-year Statute of Limitations for the use of Litigation to Collect Debt:** Impose a seven-year Federal limitations period on the use of litigation to collect debt and prohibit filing or threatening to file suit on time-barred debts, while still allowing for the collection of the debt.

ACA International Members Will...

- Lead in advocating for modernization of America's federal and state credit and debt collection laws including the Fair Debt Collection Practices Act (FDCPA), Telephone Consumer Protection Act (TCPA) and the Truth in Lending Act (TILA).
- Collaborate with the Consumer Financial Protection Bureau, Congress, Federal Trade Commission, and state lawmakers and regulators on the above issues, as well as current and proposed policies, to create a balanced system for debt collection that allows a vital industry to function and protect consumers.
- Actively work to prevent, reduce and resolve consumer complaints. ACA will provide members with education and training to help them, and their employees, better understand how and why they need to prevent, manage and resolve consumer complaints. ACA members must abide by a stringent code of ethics and those who engage in illegal activities should be held fully accountable under federal and state law.

About ACA International

ACA is the comprehensive, knowledge-based resource for success in the credit and collection industry. Founded in 1939, ACA brings together more than 5,000 members in the United States and abroad, and their more than 150,000 employees, including third-party collection agencies, asset buyers, attorneys, creditors and vendor affiliates. ACA establishes ethical standards, produces a wide variety of products, services and publications.

For more information about ACA International contact Mark Schiffman, Director of Public Affairs at (952) 928-8000, ext. 124, schiffman@acainternational.org or visit www.acainternational.org/Blueprint.



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