



The Monitoring and Curbing Abusive Debt Collection Practices Act

Debt Collection Harassment

The frequency with which consumers are harassed by abusive debt collectors has reached new heights. In 2018, the Consumer Financial Protection Bureau (CFPB or the Bureau) received 81,500 complaints about debt collection – making it one of the leading sources of consumer complaints. This past spring, the CFPB issued a [proposed debt collection rule](#) that goes against the Bureau’s mandate to protect consumers, investors and the economy. Under the Trump Administration, the CFPB has been directed to weaken its consumer protection rules, leaving consumers vulnerable to the same abuse and predatory lending practices that led to the 2008 crisis. The proposed rule from the CFPB would contribute to debt despair – a growing cause of depression and suicide amongst hardworking consumers. Additionally, the rule leaves room for significant harassment of consumers, including allowing debt collectors to send unlimited text and email messages to consumers.

Debt Collection by the Numbers

- Debt collectors estimate they contact consumers more than a billion times a year to collect on those debts.
- Nearly one in three Americans say they were contacted by at least one creditor or debt collector during the last year.¹
- A 2017 survey of debt collection organizations found that one in four frontline staff reported having spoken to at least one customer in the past year who seemed serious about committing suicide²
- In Massachusetts, 18% of residents living in predominantly white areas have debt in collections versus 46% of those living in predominantly nonwhite areas.³
- In 2018, the CFPB received 81,500 complaints about debt collection while the Federal Trade Commission (FTC) received 483,105 complaints.⁴

The Monitoring and Curbing Abusive Debt Collection Practices Act:

Congresswoman Pressley’s [Monitoring and Curbing Abusive Debt Collection Practices Act](#) restores the CFPB’s mission to protect consumers from unfair, deceptive or abusive acts by financial institutions, including debt collectors.

Specifically, the legislation:

1. Amends the Consumer Financial Protection Act of 2010 to require the Director of the CFPB to issue a quarterly report on debt collection complaints and enforcement actions.
2. Prohibits the Director of the CFPB from issuing rules that would allow a debt collector to send unlimited email and text messages to a consumer.

¹ Consumer Financial Protection Bureau, “Consumer Experiences with Debt Collection,” (2017)

² Chris Fitch et al., Vulnerability: A Guide for Debt Collection 54 (Pers. Fin. Res. Ctr. 2017).

³ Massachusetts Debt Collection Fact Sheet, *National Consumer Law Center* at: https://www.nclc.org/images/pdf/debt_collection/fact-sheets/Massachusetts.pdf

⁴ FTC Consumer Sentinel Network, <https://public.tableau.com/profile/federal.trade.commission#!/vizhome/TheBigViewAllSentinelReports/StatebyState>