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ACA INTERNATIONAL RESPONDS TO NEW DEBT COLLECTION REFORM REPORT

MINNEAPOLIS (February 2, 2011) – ACA International, the association of credit and collection professionals whose membership includes third party debt collectors, asset buyers and collection attorneys offers the following response from ACA International Interim Chief Executive Officer Ted Smith regarding the recent report from the Consumers Union and East Bay Community Law Center called “*Past Due: Why Debt Collection Practices and the Debt Buying Industry Need Reform Now.*”

“ACA International finds areas for both agreement and disagreement in regard to the authors’ proposed policy changes.

We agree that harassment, threats and other illegal activity against consumers are unacceptable and violators must be held accountable. Our members work very hard to ensure consumers are treated respectfully during all facets of the collection process.

The collection of duly owed debt reinforces an important American cultural norm of repaying owed debts. As a recent ACA International survey showed, “97 percent of consumers believe that if someone owes a debt for a good or service they purchase, they have a personal responsibility to repay that debt.”

Modernizing the outdated Fair Debt Collection Practices Act (FDCPA), originally passed by Congress in 1978; the Telephone Consumer Protection Act (TCPA); and state laws governing the collection of consumer debt, are our highest priorities for enacting meaningful reform to balance consumer protection and a fair operating environment for debt collection. Our efforts will include enhancing the standards for the validation, verification and documentation of debt.

Debt collectors play an important and valuable role in keeping our economy healthy. The repayment of credit is a fundamental lifeline for the millions of public and private organizations that rely on consumers to meet their financial obligations. Businesses from Main Street to Wall Street rely on the repayment of credit to pay rent, employee salaries and benefits, and their bills.

Federal, state and local government also rely on the repayment of billions of dollars in delinquencies including uncollected court fees, unpaid taxes, library fines and traffic tickets. Increasingly, they are engaging third party debt collectors to recover these debts as a means to close budget gaps, reduce the need for future tax increases and keep more money in the pockets of hard working American consumers.

We look forward to working with the newly created Bureau of Consumer Financial Protection (CPFB) to create a balanced debt collection system that protects consumers and allows an industry that is vital to the U.S. economy to operate. It’s our hope that together we can remove unnecessary barriers to communication and promote the legal and ethical recovery of debts.”

ACA International, the Association of Credit and Collection Professionals, 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 worldwide, including third-party collection agencies, asset buyers, attorneys, creditors and vendor affiliates. ACA International establishes ethical standards, produces a wide variety of products, services and publications, and articulates the value of the credit and collection industry to businesses, policymakers and consumers. For more information about ACA International, visit www.acainternational.org. For consumer-friendly information on debt collection, visit www.askdoctordebt.com.