

# CFPB Director Informs Consumer Advisory Board That Bureau Will Not Shy Away from Issuing Debt Collection Proposed Rule

K&L GATES

Article By

[Brian M. Forbes](#)

[Gregory N. Blase](#)

[Andrew C. Glass](#)

[Roger L. Smerage](#)

[K&L Gates](#)

[Consumer Financial Services Watch](#)

- [Financial Institutions & Banking](#)
- [All Federal](#)

Thursday, June 15, 2017

In prepared [remarks](#) delivered to the Consumer Advisory Board on Thursday, June 8, 2017, Consumer Financial Protection Bureau Director Richard Cordray explained that the CFPB is moving forward with its long-anticipated debt collection rules.

The Director emphasized his view that new debt collection rules are necessary because of the age of the Fair Debt Collection Practices Act—enacted in 1977—and the statute’s inability to fit modern methods of communication. According to the Director, the forthcoming rules would benefit consumers and industry participants by clarifying what constitutes unfair collection practices. Substantively, the Director focused on the portion of the CFPB’s July 2016 outline aimed at ensuring that debt collectors possess correct information about debts they are seeking to collect and consumers who owe those debts. In a notable shift, the Director indicated that the CFPB is prepared to issue a single set of debt collection rules relating to the gathering of information by and transfer of information between first-party creditors and third-party debt collectors. Acknowledging that the shift will require the CFPB to take some additional time to iron out “intertwined issues,” the Director suggested that the CFPB will try to fast-track other aspects of its proposed

rulemaking, including the information third-party debt collectors must disclose to consumers and the manner in which third-party debt collectors interact with consumers.

Copyright 2019 K & L Gates

**Source URL:** <https://www.natlawreview.com/article/cfpb-director-informs-consumer-advisory-board-bureau-will-not-shy-away-issuing-debt>