



September 17, 2019

Staff Attorney
Comment Intake-Debt Collection
Consumer Financial Protection Bureau
1700 G Street NW
Washington, DC 20552

Re: ICUL Comments on Debt Collection Practices (Regulation F) Docket No: CFPB-2019-0022

Dear Staff Attorney:

The Indiana Credit Union League (ICUL) appreciates the opportunity to comment on the Consumer Financial Protection Bureau's (CFPB) proposed changes of the Debt Collection Practices (Regulation F). The ICUL member credit unions represent 99% of assets and members of Indiana's credit unions, with those memberships totaling more than 2.6 million consumers.

The Fair Debt Collection Practices Act (FDCPA) defines a debt collector as "any person who uses any instrumentality of interstate commerce or the mails in any business the principal purpose of which is the collection of any debts, or who regularly collects or attempts to collect, directly or indirectly, debts owed or due or asserted to be owed or due another." These collectors are referred to as third-party collectors. Creditors, such as credit unions, collecting debts owed directly to them have been exempt from the FDCPA. Any final rule the CFPB implements related to debt collection practices needs to maintain this exemption for creditors collecting debts owed directly to them.

As member-owned financial cooperatives, credit unions have always held the best interests of their members in mind when it comes to resolving loan and account issues. The proposed FDPA rule has the potential to hinder credit unions from providing solutions to their members facing financial challenges by placing limitations on their ability to communicate effectively with them. We respectfully urge you to reconsider the implementation of this ruling as it is currently written and ensure that any final rule is written to clearly indicate that it is only applicable to third-party collectors.

We would also like to comment on some specific aspects of the proposed rule that concern us since the National Credit Union Administration and state credit union regulators often point to the FDCPA requirements as how first-party collection efforts should be made. Under the proposed rule, the credit union representative cannot say "this is your credit union" or "this is Bob from the credit union" but must just state the caller's full name. Credit unions have a unique and strong relationship with their members, and we believe that saying the credit union name (not just a natural person's name as written in the proposal) gives that connection and relationship. We do agree that the person's name should be given, which is a common practice among credit unions.

Under the time and place restrictions, we believe the current rule of 8 a.m. to 9 p.m. in the time zone of the individual being called is sufficient. The proposal adds a reference to the consumer being able to state what hours would be "inconvenient times" for the collector to call them, and the collector would be required to track this at the consumer level. We recommend this additional reference to "inconvenient times" be removed from any final rule.

Under the telephone call frequency limits part of the rule, we believe that the proposed limit of seven times (attempts) a week per individual is too restrictive. Often it takes multiple calls to determine when an individual may be available. There are times where the lender may be addressing multiple accounts with one consumer, making separate contacts for each account. We suggest that this limit be on a per loan basis, not per individual. As the rule is written, the seven times is per individual, not per loan.

Thank you for the opportunity to comment on the proposal, and we appreciate the CFPB's recognition of the potential impact it may have on smaller institutions, of which the vast majority of credit unions would be classified. If you have any questions regarding our comment letter, please contact me at (317) 594-5320. Thank you again for the opportunity to comment.

Sincerely,
John McKenzie
President
Indiana Credit Union League