Responding to Debt Collectors

For those of us who have a mortgage, car payments, credit card debt, and other miscellaneous bills, it is not uncommon to be contacted by a debt collection agency. While the original lender may choose to keep and service the loan through its own system, many lenders decide to sell or assign the loan to a third party debt collector. These debt collectors are under strict federal rules for how they are to conduct their business. However, they don’t always follow those rules, and some collectors need what my grandmother would call “a stern talking-to.”

Fortunately, the Consumer Financial Protection Bureau (CFPB) recently released five sample “action letters” for consumers to use in replying to debt collectors. The CFPB says that the letters will “help consumers get valuable information about claims being made against them or protect themselves from inappropriate or unwanted collection activities.”

- “I Need More Information” – the first letter helps you ask for more information about the debt. The letter also allows you to dispute the debt until the collector answers the specific questions about what is owed. If you do not recognize the debt, or if you want to find out more about the debt before you pay it, you may wish to send this type of letter to the collector.

- “I Don’t Owe, and Stop Contacting Me Until You Prove That I Do” – this letter notifies the collector that you are disputing the debt, and that you do not want to hear from them until they provide evidence that you are responsible.

- “Please Contact Me in Writing” – the Fair Debt Collection Practices Act states that collectors cannot contact you about a debt at a time or place they should know is inconvenient. This letter allows you to state the time and manner in which you are to be contacted about the debt.

- “I Have a Lawyer” – if you are represented by an attorney in the matter, the debt collector should contact the attorney instead of calling you at home. This letter allows you to instruct the collector to direct all correspondence to your attorney.

- “Please Stop All Contact” – this letter allows you to tell the collector to stop any and all communication. Keep in mind, however, that this will NOT cancel the debt, nor will it prohibit the collector from filing a lawsuit to recover the debt. This letter could be used if you feel that you are being harassed by a collector’s communications.

For downloadable copies of these sample letters, you can visit the CFPB Consumer Finance Blog at www.consumerfinance.gov/blog/debtcollection.
For more information on consumer fraud and scams, including helpful preventative tips and contact information for other community resources, contact Stetson University College of Law’s Elder Consumer Protection Program by e-mail at elderconsumers@law.stetson.edu, or by telephone at (727) 562-7888.