



May 28, 2018

**VIA ELECTRONIC DELIVERY TO REGULATIONS.GOV**

Ms. Monica Jackson,  
Office of the Executive Secretary  
Consumer Financial Protection Bureau  
1700 G Street NW  
Washington, DC 20552

**Re: *Comments of ACA International on Request for Information Regarding Bureau External Engagements, Docket Number CFPB-2018-0005***

Dear Ms. Jackson:

ACA International (“ACA”), the Association of Credit and Collection Professionals, submits these comments in response to the request by the Bureau of Consumer Financial Protection (“Bureau”) for comments in response to its “Request for Information Regarding Bureau External Engagements,” 83 Fed. Reg. 8247 (Feb. 26, 2018). ACA appreciates the opportunity to provide input on the Bureau’s Request for Information.

**I. BACKGROUND ON ACA INTERNATIONAL**

ACA International is the leading trade association for credit and collection professionals. Founded in 1939, and with offices in Washington, D.C. and Minneapolis, Minnesota, ACA represents approximately 3,000 members, including credit grantors, third-party collection agencies, asset buyers, attorneys, and vendor affiliates in an industry that employs more than 230,000 employees worldwide. Given its longstanding history and broad membership, ACA is uniquely positioned to assist the Bureau with information gathering related to debt collection, as well as to collaborate with the Bureau on how its proposed policies and regulations will impact the credit and collection industry.

ACA members include the smallest of businesses that operate within a limited geographic range of a single state, and the largest of publicly held, multinational corporations that operate in every state. The majority of ACA-member debt collection companies, however, are small businesses. According to a recent survey, 44 percent of ACA member organizations (831

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companies) have fewer than nine employees. Additionally, 85 percent of members (1,624 companies) have 49 or fewer employees and 93 percent of members (1,784) have 99 or fewer employees.

As part of the process of attempting to recover outstanding payments, ACA members are an extension of every community's businesses. ACA members work with these businesses, large and small, to obtain payment for the goods and services already received by consumers. In years past, the combined effort of ACA members has resulted in the annual recovery of billions of dollars – dollars that are returned to and reinvested by businesses and dollars that would otherwise constitute losses on the financial statements of those businesses. Without an effective collection process, the economic viability of these businesses and, by extension, the American economy in general, is threatened. Recovering rightfully-owed consumer debt enables organizations to survive, helps prevent job losses, keeps credit, goods, and services available, and reduces the need for tax increases to cover governmental budget shortfalls.

Importantly, ACA members are committed to fair, reasonable, and respectful practices and take their obligations in collecting debt very seriously. As legitimate credit and collection professionals, ACA members play a key role in helping consumers fulfill their financial goals and responsibilities while facilitating broad access to the credit market.

## **II. COMMENTS OF ACA INTERNATIONAL**

In its Request for Information (“RFI”), the Bureau seeks feedback on all aspects of conducting future external engagements. The Bureau has provided seven areas of interest on which it seeks comment. ACA’s comments address both overarching points for the Bureau to consider as well as past experiences that may provide insight into the Bureau’s decision-making on external engagements going forward.

### Overarching Points

Since the Bureau’s inception, ACA as an association as well as its individual members have had on-going engagement with the Bureau. However, often ACA and its members have felt that the Bureau’s approach to engagement seemed somewhat disinterested and that Bureau staff was just “going through the motions.” Members report that their views and opinions, during this engagement, were not given appropriate consideration by the Bureau.

Overall, ACA members report being “very dissatisfied” or “dissatisfied” in the way the Bureau solicited feedback from external stakeholders. In regard to public events like field hearings, ACA members state that the Bureau was not transparent in its processes, especially with respect to the timing, location, and representation of entities that were asked to participate at the event. Members expressed frustration that stakeholders favorable to the Bureau were offered better preparation through advance knowledge, and were more deliberately involved in those



events. Furthermore, when Bureau staff was asked to appear at industry conferences, many times they came with a prepared script that did not provide any useful information for audience members. In many instances, audience members were either not permitted to ask questions of Bureau staff or questions had to be approved in advance. Constructive feedback about the Bureau and Bureau processes was discouraged.

As it relates to the Consumer Advisory Board, members express concerns that not enough industry members were invited to be on the board, making it often nothing more than a rubber stamp for the Bureau's activities.

### Specific Points on Which the Bureau Seeks Feedback

1. *Strategies for seeking public and private feedback from diverse external stakeholders on the Bureau's work.*

ACA supports the Bureau's effort to seek feedback from all stakeholders. It is hard to measure whether the Bureau is being transparent or fair to all sides if feedback is received privately. ACA understands that in some instances, due to the sensitive nature of the topic or the information being presented, some engagement must be private. Nevertheless, all stakeholders should be aware of who is visiting or meeting with the Bureau in order to ensure that all viewpoints are equally heard. It is certainly possible to review public comments, but the Bureau must think about ways to provide information about the private feedback it receives. ACA suggests that the Bureau consider publishing a monthly list that documents the meetings it has had and who attended those meetings. ACA does not believe that greater transparency forecloses opportunities to gather diverse input.

2. *Structures for convening diverse external stakeholders and the public to discuss Bureau work in ways that maximize public participation and constructive input, including but not limited to structures utilized by the Bureau to date, such as field hearings, town halls, roundtables, and meetings of the advisory groups.*

The Bureau would benefit from better organization and advance notice when it comes to public events like field hearings, town halls, roundtables, and advisory group meetings. Events and the topics to be addressed should be announced at least 60-90 days in advance using a "save the date" notice. Additional information and specifics can be provided as the event date approaches. If the Bureau truly wants diverse viewpoints, then ample time must be provided, especially when it comes to including the general public who, more than likely, would need to take time from work as well as travel to attend these events. While the Bureau has done a good job of broadcasting many of these events over the internet, web participants should be able to provide comments and questions, in real time, that potentially could be addressed by Bureau staff



at the events.

3. *Processes for transparency in determining topics, locations, timing, frequency, participants, and other important elements of both public and private events.*

ACA is not aware of the process the Bureau currently uses to determine topics, locations, timing, frequency, or participants at public and private events. However, it appears to ACA that consumer groups and advocates were provided advance notice or had a role in the development of these events prior to notice provided to the general public and certainly industry. On multiple occasions the Bureau announced the time and location of field hearings without including information about what the topic was, despite clearly knowing why it was planning to host a field hearing.

Moreover, certain press outlets and other consumer advocacy groups often seem to have advance notice of what would be discussed at field hearings, when very often industry groups received the materials the day of, or the evening before, they were set to speak. Industry participants in field hearings are often asked to speak about proposed rules or policies that are hundreds of pages long and that are received the morning of the event. This creates an unfair playing field and at times seems like an opportunity for the Bureau to surprise or embarrass volunteer participants.

In general, there are some industry concerns that the Bureau's past practice of "pomp and circumstance" for proposing rules in conjunction with a field hearing can send the wrong message to consumers that a wrong has been committed, when there may be a number of reasons for proposing federal rules and policies. Additionally, embargoed press releases that were frequently shared at midnight before events often sensationalized the Bureau's actions and painted industry in an unfair light.

ACA therefore recommends that the Bureau consider more public outreach and feedback from stakeholders regarding event topics, who should participate in these events, and where these events should take place. As noted in Paragraph #2, advance notice is critical to ensure a broad and diverse audience.

4. *Vehicles for soliciting public and private perspectives from outside of Washington, D.C. on the Bureau's work.*

The Bureau should continue to seek feedback and information from national trade associations who have a diverse and board membership to ensure and maintain real-world perspective rather than focusing solely on activities in Washington, D.C.

The Bureau may also want to consider using its regional field offices for external engagement to consumers and industry, in addition to supervision activities that occur in those offices. Establishing relationships in regional areas and communities may provide opportunities



for important engagements that the Bureau may not otherwise have. The Bureau should also not be offering these opportunities only to favored industries or groups throughout the country. For example, the BCFP often hosts industry roundtables in conjunction with events in different cities. These should be open to all participants in the financial services marketplace and regulated entities, not just certain consumer and trade groups.

5. *Strategies for promoting transparency of external engagements, including Advisory Board and Council meetings, while protecting confidential business information and encouraging frank dialogue.*

Since the beginning of the year, all Advisory Board and Council meetings have been public. It does not appear to ACA that these public meetings have compromised the dialogue and discussion. In general we support the concept of advisory councils because we believe it is beneficial for Bureau staff to have more information about industries, particularly if they do not have any specific industry experience.

ACA also recommends that the Bureau consider having a nonbank advisory board since the Bureau already has broad supervision and examination authority over such entities. Nonbanks should not be overlooked in their ability to provide important feedback.

Finally, ACA would encourage the Bureau to work with Board and Council participants to develop a protocol for dealing with confidential business information in open meetings so that speakers could make general points, while providing specific, sensitive information to the Bureau under procedures that protect confidentiality but ensure actual supporting data is supplied.

6. *Strategies and channels for distributing information about external engagements to maximize awareness and participation.*

The Bureau does a good job of utilizing electronic communications such as email and Twitter to promote Bureau activities. As noted above, the Bureau would be well served if its activities were better organized and coordinated with all stakeholders to maximize awareness and participation. National trade associations representing diverse stakeholders from all areas of the country are more than willing to assist the Bureau in its efforts, as long as the Bureau can provide better advance notice and relevant background information. As also noted above, the Bureau should consider using its regional offices as platforms for more widespread engagement.

7. *Other approaches, methods, or practices not currently utilized by the Bureau that would elicit constructive input on the Bureau's work.*



INTERNATIONAL  
The Association of Credit  
and Collection Professionals

In general we think that it would be beneficial if the Bureau streamlined its internal process to ensure that information discussed in industry meetings accurately represents the views of the agency. For example, we have seen court filings from the BCFP that conflict with positions expressed by BCFP staff. There are multiple departments at the Bureau that work on certain issues and at times it does not seem that communication between them is always timely and accurate.

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ACA appreciates the opportunity to provide comments to the Bureau in response to its RFI Regarding Bureau External Engagements.

A handwritten signature in black ink, appearing to read "Mark Neeb", with a stylized flourish at the end.

Mark Neeb  
Chief Executive Officer