



January 21, 2021

The Honorable Joe Biden
President of the United States
The White House
Washington, D.C. 20500

Dear President Biden,

On behalf of ACA International, the Association of Credit and Collection Professionals (ACA), I wanted to express our congratulations, as well as our eagerness to work with your Administration over the next four years. ACA represents approximately 2,500 members, including credit grantors, third-party collection agencies, asset buyers, attorneys, and vendor affiliates in an industry that employs more than 125,000 people worldwide. Most ACA member debt collection companies, however, are small businesses. Women make up 70 percent of the total debt collection workforce and it is ethnically diverse. Additionally, 32 percent of businesses in the industry are women-owned.

As businesses, community lenders, hospitals, and other providers throughout the country continue to face unprecedented challenges as a result of COVID-19, the work of ACA members is more important than ever. 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.

Significant research has confirmed the basic economic reality that losses from uncollected debts result in higher prices and restricted access to credit. The collections process plays a critical role in a healthy credit ecosystem. Lenders rely on the ability to collect to be able to lend to consumers of all means with diverse financial backgrounds. In a world without a collections process, consumers' ability to obtain credit cards or other extensions of unsecured credit would be greatly limited, and in many instances, consumers would only have the option to pay cash. This would be a disadvantage to many consumers, particularly to those that are low-income, and significantly limit options for credit and services. The work of ACA members allows lenders to continue to lend while keeping the cost of credit down, particularly for the riskiest borrowers.

In short, consumer harm can result in several ways when unpaid debt is not addressed, and ACA members work to help consumers understand their financial situation and how it can be improved. ACA members are committed to fair, reasonable, and respectful practices and take their compliance obligations with consumer protection laws when 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.

As Congress takes on no shortage of challenges, not least of which are those resulting from the global pandemic, ACA stands ready to work with you on behalf of our members. Attached for your reference is background material about issues important to ACA members in 2021. Thank you for your leadership and we look forward to continuing our engagement with you this Congress.

Sincerely,



Mark Neeb
Chief Executive Officer

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