

Fair Debt Collection Practices Act

Consumer Protection for Borrowing Money

Overview

The Fair Debt Collection Practices Act, or FDCPA, protects consumers from abusive third-party collection agencies by limiting how debt collectors can contact consumers. Your state attorney general's office can also provide information on protections available to consumers. Borrowers may sue a third-party debt collector in state or federal court for violations under FDCPA.

What Does the FDCPA Do?

- Restricts debt collectors to contacting you from only 8 a.m. to 9 p.m.
- Prohibits debt collectors from calling you at work
- Requires debt collectors to provide a validation notice within five days of initial contact
 - Notices should include the amount owed, the name of the creditor and what to do if you do not believe this is your debt

What Does the FDCPA Prevent Debt Collectors From Doing?

- Prohibits obscene or profane language and the use of all threats of violence and harm via all methods of communication (telephone, mail, etc.)
- Bans repetitive calling to annoy consumers
- Prohibits falsely claiming legal action, misrepresenting the debt you owe, or trying to collect interest or fees over what you owe unless allowed by original contract

What are Third-Party Debt Collectors Allowed To Do Under the FDCPA?

- Contact you and your spouse during set times of day
- Call, email, text and send letters
- Legally seize property and inform you of the intent to do so
- Contact other people once to request your address, home phone and employer's name

What Is Covered Under the FDCPA?

- Credit cards
- Mortgages
- Medical debts
- Auto loans
- Student loans

What Is Not Covered Under the FDCPA?

- In-house debt collection where debt originated
- Business debts
- Agricultural debts

Where Do You Report Debt Collector Violations Under the FDCPA?

- State attorney general's office:
<https://www.usa.gov/state-attorney-general>
- Consumer Financial Protection Bureau: <https://www.consumerfinance.gov>
- Federal Trade Commission:
<https://www.consumer.ftc.gov>

The DoD Office of Financial Readiness is a trusted source of resources you can use to help you achieve a financially secure future.

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