

# Lost in Translation



Findings from Examination of  
Language Access by Debt Collectors

September 2019



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Mayor

Consumer  
Affairs

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Commissioner



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# Acknowledgments

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## Acronyms

<b>CFPB</b>	Consumer Financial Protection Bureau
<b>DCA</b>	Department of Consumer Affairs
<b>FDCPA</b>	Fair Debt Collection Practices Act
<b>FTC</b>	Federal Trade Commission
<b>LEP</b>	Limited English Proficiency

# Table of Contents

Executive Summary.....	6
Introduction.....	8
Part One: Government Actions.....	10
Laws and Regulations Governing Debt Collection Agencies .....	10
Federal, State, and Local Initiatives to Protect LEP Consumers .....	12
Part Two: LEP Initiative .....	14
Methodology.....	14
Findings.....	15
Part Three: Conclusions and Recommendations .....	21
Endnotes .....	23
Appendices	
Appendix A: Debt Collection Agency – Licensing & Renewal Supplement .....	27
Appendix B: Consumer Questionnaire on Debt Collection (English) .....	30
Appendix C: Consumer Questionnaire on Debt Collection (Spanish) .....	32

# Executive Summary

Consumers in the United States are incurring record amounts of debt, with overall household debt levels reaching the highest point in history.<sup>1</sup> In the second quarter of 2019, overall consumer debt reached \$13.86 trillion<sup>2</sup>, including \$4.1 trillion in outstanding non-mortgage consumer debt.<sup>3</sup> While research indicates that debt load is spread relatively evenly across racial and ethnic lines, because Limited English Proficiency (LEP) consumers<sup>4</sup>—those with a limited ability to read, speak, write, or understand English—tend to experience poverty at greater rates than English-proficient persons, they are also likely to face great challenges navigating the debt collection system.<sup>5</sup>

Enter the debt collection industry, a sprawling \$12 billion-a-year enterprise that contacts consumers more than *one billion* times each year.<sup>6</sup>

Consumers who are contacted by a debt collection agency need basic information about the alleged debt to assert their rights. Unscrupulous debt collectors make this incredibly difficult for consumers, employing practices designed to frighten and confuse instead of inform and explain. While these practices hit all consumers hard, they are felt even more acutely by LEP consumers whose inability to understand English already creates challenges. Without laws requiring language access, many debt collectors are not incentivized to provide the information and resources necessary to address LEP-related issues.

Government must act to fill the void.

Insufficient LEP-related resources are a national problem; however, it is acutely felt in New York City, where nearly two million people—approximately 25 percent of the population—are LEP.<sup>7</sup> To help identify issues facing this population and formulate useful recommendations, the NYC Department of Consumer Affairs (DCA)<sup>†</sup>, which licenses and regulates debt collection agencies, undertook an LEP Initiative to study licensed debt collectors' LEP-related practices. Out of a sample of 688 licensed debt collectors that completed a Licensing & Renewal Supplement with questions about collectors' business practices, most (517) reported contacting consumers directly to collect debt. Below are findings and proposals for government action.

## Findings

- 46 percent (240 out of 517) reported that they contact consumers in a language other than English to collect debts.
- 20 percent (104 out of 517) reported that they provide collection letters, including validation notices or disclosures, in a language other than English.
- 41 percent (212 out of 517) reported that they provide some form of multilingual customer representatives.
- 9 percent (45 out of 517) reported that they provide some form of general translation services.

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<sup>†</sup> In 2019, 50 years after its establishment as the Department of Consumer Affairs (DCA), the Agency was renamed the Department of Consumer and Worker Protection to reflect its expanded mandate. The Agency name is in the process of being legally changed.

# Proposals

DCA proposes legislation requiring debt collectors to:

- Request, record, and retain the language preference of each consumer from whom they attempt to collect a debt.
- Provide validation notices in a consumer's preferred language upon request. Debt collectors would be prohibited from collecting on a debt until 30 days after they provide the consumer the notice in their preferred language.
- Provide a glossary of commonly used terms in a consumer's preferred language.
- Provide interpretation or written translations that are accurate, complete, and include commonly used terms in the debt collection industry.

# Introduction

In the second quarter of 2019, overall consumer debt reached \$13.86 trillion and, excluding mortgage debt, the total hit \$4.1 trillion.<sup>8</sup> Debt levels set records across several credit categories:

- **Credit card:** \$868 billion
- **Mortgage:** \$9.41 trillion
- **Personal loan:** \$291 billion (fastest-growing type of consumer debt)
- **Student loan:** \$1.48 trillion
- **Auto loan:** \$1.30 trillion, coupled with a new record for the average monthly auto loan payment: \$523.<sup>9</sup>

With all this debt comes a thriving debt collection industry. According to data from the National Consumer Law Center,<sup>10</sup> in 2016-2017:

- There were 8,513 debt collection agencies in the United States, and the industry generated an estimated \$11 billion in revenue.
- 33 percent of Americans with credit reports and 45 percent of residents of predominantly nonwhite ZIP codes with credit reports had debt in collection.
- 70 million Americans had or were contacted about a debt in collection.
- Debt collectors estimated contacting consumers more than a billion times a year.
- Debt collection was the largest source of complaints in the Federal Trade Commission's (FTC) database of consumer complaints, generating nearly 850,000 complaints, and the leading source of consumer complaints to the Consumer Financial Protection Bureau (CFPB).
- 15 percent of all consumers who had been contacted about a debt in collection became defendants in lawsuits brought by debt collectors.

Review of debt collection complaints reveals an industry rife with anti-consumer practices, many of which are designed to prevent consumers from understanding and resolving their debt. For example, the CFPB reported as common complaints about debt collectors:<sup>11</sup>

- Attempts to collect debts not owed.
- Failing to provide written notices before impacting consumer credit reports.
- Failing to provide additional information about the debt upon request.
- Use of illegal communication tactics.

Although all consumers are harmed by these abusive and predatory collection practices, a subset of the population—LEP consumers—are more acutely impacted.

LEP consumers have a limited ability to read, write, speak, and understand English, thus a limited ability to understand the requests being made of them, the nature of any claims being asserted against them, and the best ways to protect themselves. While such inequity should raise concerns wherever it occurs, it is a particularly troublesome issue for New York City.

New York City has always been a city of immigrants, welcoming people from around the world in search of a better life for themselves and their families. In turn, these populations enrich the city's economic and cultural vitality. Today, approximately one out of every three New Yorkers was born outside of the United States, one out of every two speak a language other than English at home, and almost one out of every four, or 1.8 million, are LEP.<sup>12</sup>



Despite its immigrant history and extensive LEP population, even in New York City, laws do not go far enough to protect LEP consumers from predatory debt collectors. For example, there are no requirements for debt collectors to:

- notify consumers of their rights in a language they understand;
- provide language assistance services when consumers contact the debt collector by phone;
- stop trying to collect a debt once they are aware of a consumer's need for language assistance services.

In fall 2017, DCA began to evaluate what services, if any, the debt collection industry offered LEP consumers; the two-phase initiative included:

- an investigation of 32 debt collection agencies nationwide licensed by DCA; and
- a review of 688 Licensing & Renewal Supplements completed by debt collection agency licensees.

This report summarizes DCA's examination and includes three parts:

1. **Part One** outlines government actions, in the form of laws, regulations, policies, or litigation, to regulate debt collectors and to address problems faced by LEP consumers.
2. **Part Two** discusses DCA's LEP Initiative, including the evaluation process, findings, and specific examples of problematic practices.
3. **Part Three** offers conclusions and recommendations for legislation, rulemaking, and consumer education designed to better ensure that LEP consumers are afforded the same consumer protections as English-speaking consumers.

## About DCA

DCA licenses more than 75,000 businesses in more than 50 industries—including approximately 1,200 debt collectors from 45 states and 12 countries—and enforces key consumer protection, licensing, and workplace laws that apply to countless more. By supporting businesses through equitable enforcement and access to resources and, by helping to resolve complaints, DCA protects the marketplace from predatory practices and strives to create a culture of compliance. Through its community outreach and the work of its offices of Financial Empowerment and Labor Policy & Standards, DCA empowers consumers and working families by providing the tools and resources they need to be educated consumers and to achieve financial health and work-life balance. DCA also conducts research and advocates for public policy that furthers its work to support New York City's communities.

# Part One: Government Actions

Businesses attempting to collect debts from New York City residents must comply with overlapping federal, state, and local laws governing industry conduct. Although the regulations are generally comprehensive, none require that debt collection agencies provide verbal or written language access services. To fill the void, regulators at all levels of government have attempted to address LEP-related issues in other ways.

## Laws and Regulations Governing Debt Collection Agencies

### Current Federal, New York State, and New York City Laws and Regulations

The primary federal law governing the conduct of debt collectors is the Fair Debt Collection Practices Act (FDCPA), which was passed in 1977 in response to “abundant evidence of the use of abusive, deceptive, and unfair debt collection practices by many debt collectors.” Designed to both eliminate those abusive practices and “insure that those debt collectors who refrain from using abusive debt collection practices are not competitively disadvantaged,” the law, among other things:

1. prohibits debt collectors from committing various abusive, deceptive, or unfair practices;
2. imposes restrictions on debt collectors’ communications with consumers and with third parties about alleged debts; and
3. requires a debt dispute process that includes certain obligations for collectors and protections for consumers.<sup>13</sup>

Both the CFPB and the FTC—the two primary federal consumer protection agencies—enforce the FDCPA’s provisions, which include a private right of action that allows individual consumers to sue debt collectors who violate the FDCPA’s terms.<sup>14</sup> In 2010, the Dodd-Frank Act expanded the CFPB’s authority under the FDCPA to include the issuance of substantive rules for the debt collection industry.<sup>15</sup>

Significantly, the FDCPA expressly permits states to pass laws governing debt collectors without facing preemption challenges so long as “the protection such law affords any consumer is greater than the protection provided by [the FDCPA].”<sup>16</sup> As a result, many states have enacted debt collection laws and rules that offer greater protections than federal law. For example, New York State regulations go farther to protect consumers than the FDCPA in several key respects:<sup>17</sup>

- **Substantiation of Debt Allegedly Owed:** Debt collectors must “substantiate” that a debt is actually owed in response to a consumer’s oral or written dispute of a debt at any point in the collections process. Once disputed, all collection activity must cease and documentation proving the validity of the debt and the creditor’s right to collect that debt must be provided within 60 days.
- **Itemization of the Alleged Debt:** A debt collector must provide the consumer with an itemized accounting of the debt. This includes the amount of the debt when the original creditor sent it to collection, the amount of the accrued interest, the amount of other fees and charges, and any payments made by the consumer.
- **Statute of Limitations:** Debt collectors must provide disclaimers to the consumer if they believe the debt may be beyond the statute of limitations.
- **Settlement Agreements:** To ensure that creditors honor settlement agreements reached with New York consumers, and that consumers and debt collectors agree on material terms, debt

collectors must provide written confirmation of any debt settlement agreement and written confirmation once a debt is satisfied.

- **Email:** A collector may not contact a consumer via email unless the consumer consents in writing to receiving email about a specific debt and voluntarily provides an email address the consumer affirms is unrelated to the consumer's employer. A collector *may* send written disclosures via email if that is the only means of contact available but may not use email for subsequent communications without the above consent.

Similarly, the City of New York enforces its own debt collection laws and regulations, which are among the strongest in the country. To operate in New York City, debt collection agencies must have a license from DCA and obey licensing laws and rules, as well as the New York City Consumer Protection Law, which prohibits any business in the city—licensed or not—from engaging in deceptive and unconscionable trade practices.<sup>18</sup>

Under the licensing law, all debt collection agencies that seek to collect personal or household debts from New York City residents on behalf of another must possess a license—no matter where the business is located. As a result, DCA licenses more than 1,200 collection agencies nationwide and worldwide. The City's licensing laws and rules contain several important provisions:

- **Debt Verification:** Once verification is requested, all collection activity and consumer contact must cease until the agency provides written documentation identifying the creditor and itemizing the outstanding balance claimed to be due.<sup>19</sup> The consumer can request verification at any time during the collection process.
- **Statute of Limitations:** Debt collection agencies are prohibited from contacting consumers about expired debts without first providing them with information regarding the effect of the statute of limitations on their obligation to repay the debt.<sup>20</sup>
- **Written Correspondence:** Debt collection agency communications must provide the name and telephone number of a natural person responsible for answering consumer questions about the debt being collected.<sup>21</sup>
- **Record-Keeping:** Debt collection agencies must maintain records of their collection activity, including all communications with the consumer, a monthly log of calls made to each consumer, and a sample of collection call recordings. All records, except the call recordings, must be maintained for six years, which ensures their availability during the same period that a creditor can take legal action to collect a debt.<sup>22</sup>

The Consumer Protection Law rules governing debt collectors substantially mirror the requirements of the FDCPA and, importantly, apply both to debt collection agencies and creditors collecting their own debts.<sup>23</sup>

## Proposed Federal Regulations

In May 2019, the CFPB published a Notice of Proposed Rulemaking that would amend Regulation F, 12 CFR Part 1006, which implements the FDCPA. The 500+ page notice marks the first time an agency has proposed comprehensive rules interpreting the FDCPA since the law was enacted in 1977.<sup>24</sup>

Although DCA was hopeful that the CFPB's proposal would incorporate mandatory language access service requirements—or at least require the provision of those services upon request—as currently proposed, no such services are mandated. Rather, the CFPB's proposed rules would make the provision of non-English language services entirely voluntary. The proposed rules:

- *Permit* debt collectors to include in original communications a statement in Spanish notifying consumers that they may request a Spanish-language validation notice.<sup>25</sup>

- *Permit* debt collectors to provide validation notices in any language, if the debt collector has already provided an English-language notice or will provide an English-language notice in the same communication.<sup>26</sup>

Of course, many debt collectors are unlikely to produce validation notices in languages other than English if they are not incentivized or mandated to do so. As such, allowing them to include a statement about Spanish-language notifications is substantively pointless.

## Federal, State, and Local Initiatives to Protect LEP Consumers

Perhaps recognizing the need for additional language access protections, federal agencies have used other methods to protect against predatory debt collection practices, including litigation and education. Similarly, federal, state, and local governments have passed laws and promulgated rules protecting LEP consumers in the marketplace generally, including those seeking mortgages and other financial products.

### Federal Litigation Related to LEP Consumers

The last decade has brought increased awareness at the federal level of the difficulties faced by LEP consumers confronted with debt collection. A 2014 joint FTC-CFPB roundtable “Debt Collection & the Latino Community” highlighted many of these challenges and the resulting inequities, including that LEP debtors are less likely to challenge representations made by debt collectors.<sup>27</sup>

The FTC and CFPB took an array of actions to assist LEP consumers, including litigation to stop a few companies from targeting LEP consumers with unlawful practices:

- *FTC v. Rincon Management Services, LLC*, No. 5:11-cv-01623 (C.D. Cal. March 26, 2014): The FTC obtained a judgment of \$23,084,885 against an abusive and deceptive debt collection operation that had targeted mainly Spanish-speaking consumers. Ultimately, the FTC reached a settlement with the company and its owners that suspended the judgment but required the owners to surrender approximately \$3.3 million in assets to provide refunds to victims and permanently banned the owners from the debt collection business.<sup>28</sup>
- *FTC v. RTB Enterprises, Inc.*, No. 4:14-cv-01691 (S.D. Tex. June 17, 2014): The FTC obtained a judgment of \$4 million against a debt collection operation that used abusive and deceptive tactics to coerce both English- and Spanish-speaking consumers into paying debts and unnecessary fees.<sup>29</sup>
- *FTC v. Centro Natural Corp.*, No. 14:23879 (S.D. Fla. June 26, 2015): The FTC secured a preliminary injunction against a group of telemarketers that targeted thousands of Spanish-speaking consumers and harassed them into settling “phantom” debts that the consumers did not owe.<sup>30</sup> The FTC alleges that callers from Centro Natural held themselves out as court officials, government officials, or lawyers and threatened dire consequences, such as arrest, if consumers failed to pay amounts demanded.<sup>31</sup>

Although not specifically related to debt collection, the CFPB has also acted to halt discrimination against non-English-speaking consumers. In 2017, the CFPB sued American Express, alleging that, over the course of a decade, the company had harmed more than 200,000 consumers in Puerto Rico, the U.S. Virgin Islands, and other U.S. territories by charging them higher interest rates, imposing stricter credit cutoffs, and providing less debt forgiveness in connection with credit and charge cards. Ultimately, the consumers harmed by American Express received approximately \$95 million in redress.<sup>32</sup>

## Federal Educational Initiatives Related to LEP Consumers

In addition to litigation, both the FTC and the CFPB have devoted significant resources to educating LEP consumers about their rights.

In 2013, the CFPB launched a Spanish-language website containing an assortment of information for consumers seeking help with debt collection issues. The website includes:

- “how to” guides;
- explanations of key debt collection terms; and
- sample letters for dealing with common debt collection problems.<sup>33</sup>

Similarly, the FTC has undertaken efforts to translate its vast array of consumer education materials into Spanish and to originate materials specifically targeted toward Spanish-speaking communities. To that end, the FTC’s fotonovela (graphic novel) *Cobradores de Deuda* (debt collectors), which has enjoyed wide circulation among Spanish-speaking consumers, explains the rules debt collectors must follow and the steps consumers should take if they do not.<sup>34</sup> The FTC also has a YouTube channel with videos in both English and Spanish and a multilingual consumer blog that contains updates about new agency developments related to debt collection.<sup>35</sup>

Despite these initiatives, LEP consumers would need to know about these agencies to access available resources.

## State Initiatives Related to LEP Consumers

Some states have passed measures to protect LEP consumers in the consumer marketplace, but not specifically in the area of debt collection.

In California, if a business negotiates a financial product transaction in Spanish, Chinese, Tagalog, Vietnamese, or Korean, it must deliver to the consumer, prior to execution, a copy of the agreement in the language used to negotiate the transaction. This requirement applies to various types of loan and credit extension contracts, residential leases, subleases, and rental agreements, among others.<sup>36</sup>

In Texas, if the terms of an agreement for a loan contract, retail installment transaction, or home equity loan are negotiated in Spanish, the business must provide “a summary of those terms and other pertinent information ... to the debtor in Spanish in a form identical to disclosures required for a closed-end transaction under [the Truth in Lending Act].”<sup>37</sup>

## New York City Initiatives Related to LEP Consumers

DCA enforces a range of consumer protection laws and rules designed to protect LEP consumers in various marketplaces.

Under the Consumer Protection Law, businesses that negotiate any type of installment contract for consumer goods or services in Spanish must provide all documents related to that transaction in Spanish.<sup>38</sup> The rule covers any document that must be signed by the consumer and any document containing the terms or conditions of the agreement.<sup>39</sup>

In 2017, the City passed a law requiring that used car dealers translate all sales documents into whichever language was used to negotiate the deal and provide the translations to the consumer before executing any contracts.<sup>40</sup> Similarly, tax preparers must provide a consumer bill of rights in any language used to attract customers,<sup>41</sup> and bail bond agents must provide a consumer bill of rights in a consumer’s preferred language.<sup>42</sup> DCA has made translations in 11 languages available on its website.

# Part Two: LEP Initiative

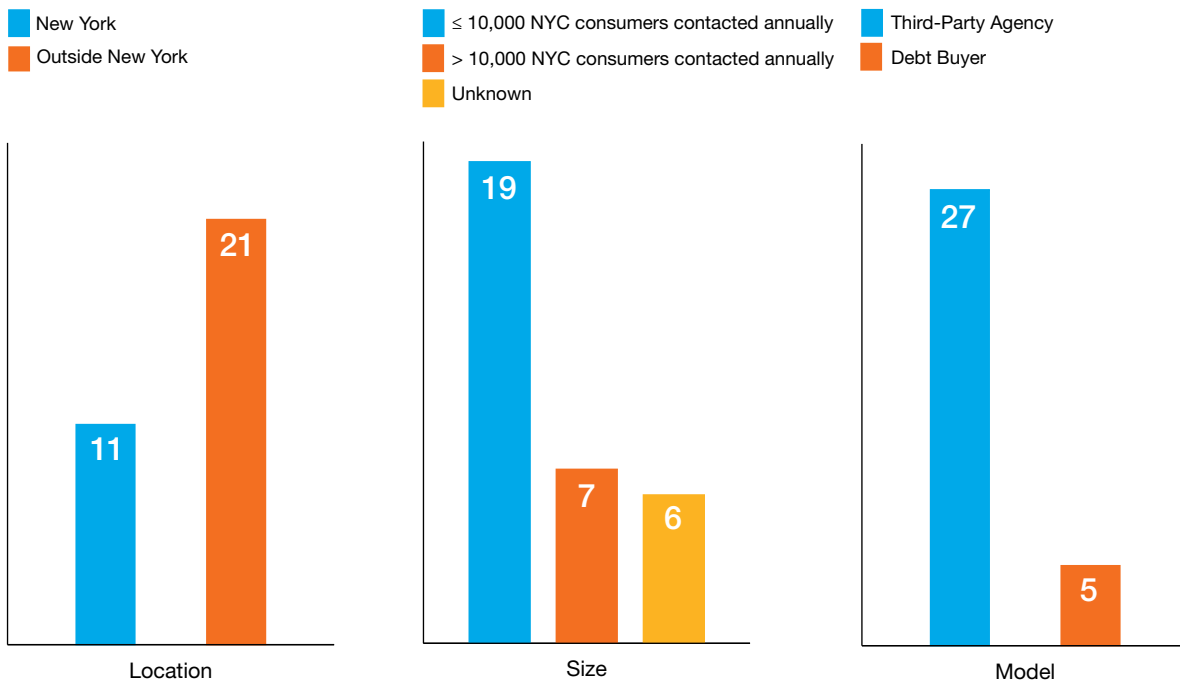
In fall 2017, DCA undertook the LEP Initiative, a two-phase examination of licensed debt collection agencies nationwide, to determine whether and to what extent debt collectors were providing LEP consumers with language access services.

## Methodology

### Phase One

DCA investigated 32 debt collection agencies that had been the subject of consumer complaints in the previous two years.<sup>43</sup> As illustrated in Figure 1, agencies included third-party collection agencies and debt buyers, agencies based in and outside of New York State, and large and small agencies.

Figure 1.



After identifying the agencies for investigation, DCA:

- Requested documents, including policies related to LEP consumers, non-English language collection letters, lists of bilingual or multilingual employees, and audio recordings of non-English language collection calls.
- Mailed questionnaires in Spanish and English to hundreds of New York City consumers who had filed complaints about the agencies to better understand the nature of the complaints and consumers' experiences.<sup>44</sup>
- Conducted telephone interviews in Spanish with a subset of consumers to learn more about their experiences with the agencies, including their experiences seeking language access services.<sup>45</sup>

- Reviewed the documents and audio recordings provided by the agencies.
- Called the contact numbers on agency collection letters to evaluate wait times, whether the calls were answered by a natural person, and whether agencies that advertise or appear to offer language access services actually offer those services.
- Conducted hours of conference calls with chief compliance officers, general counsels, outside legal counsel, or other corporate officers from most of the 32 collectors to discuss various aspects of their debt collection practices as it relates to LEP consumers. Many of the agencies submitted lengthy written responses detailing their collection practices, training policies, and compliance systems, as well as their practices—to the extent they had any—related to language access and LEP consumers.

## Phase Two

DCA revised its Debt Collection Agency license application materials to collect certain information about agencies' language access practices, including:

- number of New York City residents (consumers) contacted by the debt collector;
- whether the debt collector contacted consumers directly to collect debt;
- language access services provided by the debt collector, if any; and
- non-English languages used by the business to collect debts.

Figure 2. Question from Debt Collection Agency – Licensing & Renewal Supplement

2. (a) Does your business contact consumers in a language other than English to collect debts?	<input type="checkbox"/> YES (Contacts consumers in a language other than English.)	<input type="checkbox"/> NO (Does <i>not</i> contact consumers in a language other than English.)
(b) If YES, which languages?	a. Spanish <input type="checkbox"/> b. Arabic <input type="checkbox"/> c. Chinese <input type="checkbox"/> d. Haitian Creole <input type="checkbox"/>	e. Korean <input type="checkbox"/> f. Russian <input type="checkbox"/> g. Other _____ <input type="checkbox"/>
(c) If YES, which services do you provide consumers in languages other than English?	a. Collection letters <input type="checkbox"/>  b. Multilingual customer representatives <input type="checkbox"/>	c. General translation services <input type="checkbox"/>

DCA reviewed 688 Supplements completed by licensed debt collection agencies.

## Findings

From its two-phase LEP Initiative, DCA found that, when left to their own devices, debt collectors are not taking adequate measures to enable LEP consumers to understand and resolve their debt collection issues.

### Phase One Findings

Although virtually all of the 32 debt collection agencies investigated had claimed to provide some form of language access service, an intensive review of audio recordings of actual debt collection calls with New York City consumers revealed that those services are often limited and the collector representatives lacked proficiency in the languages in which the collector claimed to provide services.<sup>46</sup> As a result, LEP



consumers still faced several significant obstacles when attempting to understand and resolve debt collection issues.

For purposes of this report, language access services include:

1. multilingual customer representatives, at various levels of language proficiency<sup>47</sup>, who attempt to collect debt from LEP consumers;
2. translation of collection letters that include vital information about consumer rights; and
3. general translation services, i.e., a service that should provide real-time, on-demand interpretation in multiple languages over the phone.

### **Consumers have problems accessing the language access services offered.**

Although 31 of the 32 collectors had claimed to offer some Spanish-language services, consumers could not readily access services. For example:

- consumers were required to wait several minutes before being transferred to someone who spoke their preferred language;
- calls were transferred to a voicemail with only English-language instructions;
- several consumers were asked questions in English despite a request for language access services; and
- many times the purported multilingual representatives spoke in both English and the other language, making it incomprehensible for the LEP consumer.

DCA interviewed the consumer involved in the recorded exchange that follows and learned that despite having received a collection letter with an invitation to call and speak to a representative in Spanish, the service was not available when the consumer called. Ultimately, the consumer did not understand what the collector's representative was attempting to communicate.

**Agent:** Thank you for calling [REDACTED]. My name is [REDACTED] on a recorded line. Can I help you?

**LEP Consumer:** Yeah, hi. I need a Spanish speaker for me to speak in Spanish.

**Agent:** Your English is very, very good, Ma'am.

**LEP Consumer:** My English is bad. I need a Spanish ... Do you know somebody there in Spanish please?

**Agent:** I can help you, Ma'am, if you can speak a little English ... I will talk slowly...

The consumer in the recorded exchange that follows faced the same obstacle—a collector's representative who ignored multiple requests for language access services.<sup>48</sup> DCA changed the names to maintain anonymity.

**Agent:** Good afternoon, Anthony Smith, may I help you?

**LEP Consumer:** Sí, alguien me llamo. Español, please?

**Agent:** Uh...poquito.

**LEP Consumer:** Somebody called me, Alba Ramirez, somebody called me.

**Agent:** Uh, let's see, uno momento.

**LEP Consumer:** Thank you.

**Agent:** Gracias. *(Pause)* Alba Ramirez, sí?



**LEP Consumer:** Yes, Alba Ramirez.  
**Agent:** And Anastasia Ramirez, sí?  
**LEP Consumer:** Huh?  
**Agent:** Anastasia? Ramirez?  
**LEP Consumer:** Ehh, Alba Ramirez?  
**Agent:** Uh-huh.  
**LEP Consumer:** Español, please. Español. Spanish.  
**Agent:** Uh...Tomas Ramirez? Yes?  
**LEP Consumer:** Tomas?  
**Agent:** Hold on a second, Alba, I found you. Alba Ramirez. Un momento. Un momento.  
**LEP Consumer:** Okay, okay.  
**Agent:** Ms. Ramirez?  
**LEP Consumer:** Sí.  
**Agent:** Anthony Smith, calling from *[name of debt collection agency removed]* on behalf of our client, *[name of creditor removed]*, hospital bill going back to...  
**LEP Consumer:** What?  
**Agent:** Last year, last March.  
**LEP Consumer:** Español, español, please! No sé nada English. Español, please.  
**Agent:** Poquito, poquito. No hablo English?  
**LEP Consumer:** No!  
**Agent:** No comprende hospital bill? *[name of creditor removed]*.  
**LEP Consumer:** No, sir. Español, please!  
**Agent:** Only, okay I'll have somebody call back, ok?  
**LEP Consumer:** Okay, thank you.  
**Agent:** Okay, no problem.

### **Some collectors fail to record consumers' language access needs.**

Fourteen (14) of the 31 collectors that reported to provide language access services—primarily in the form of multilingual customer representatives—failed to identify in account records a consumer's LEP status or previous requests for language access services. Because those companies have no way of immediately identifying which consumers need language access services, they will repeat the mistake of initiating contact with LEP consumers in English. Further, with no record of the number of LEP consumers serviced, they have no way of assessing the number of multilingual customer representatives required to satisfy consumer demand.

### **Some collectors do not have written policies governing LEP consumers.**

Ten (10) of the 32 collectors did not have specific written policies addressing how to serve LEP consumers. Without such policies, it is difficult for a business to ensure that its representatives are aware that such services are available and consistently use those services for the benefit of consumers. These deficiencies make it difficult to evaluate whether the business is meeting expectations, both legal and operational, when it comes to serving LEP consumers.

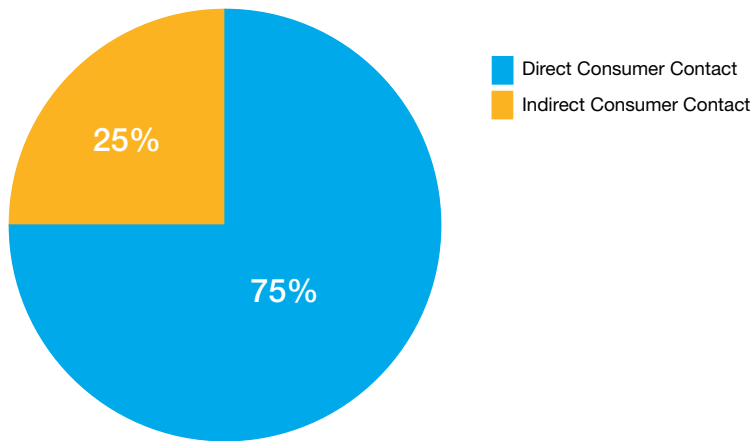
## Phase Two Findings

This section includes findings from DCA's review of 688 Supplements.

### Most collectors have direct contact with consumers.

Of the 688 Supplements completed by licensed debt collection agencies that DCA reviewed, 517 (75 percent) reported contacting consumers directly, including by mail or telephone, to collect debt. The other 171 (25 percent) use passive collection methods, such as initiating legal process or reporting debts on consumer credit reports.

Figure 3.



### Most debt collectors only contact consumers in English.

Of the 517 collectors who contact consumers directly to collect debt, only 240 (46 percent) contacted consumers in a language other than English.

Without a legal obligation, the majority of licensed debt collection agencies do not even attempt to communicate with LEP consumers in a consumer's preferred language.

### Less than half of debt collectors provide multilingual customer representatives.

Of the 517 collectors who contact consumers directly to collect debt, 212 (41 percent) reported they employ multilingual customer representatives to field calls from LEP consumers. See Figure 4 on page 19.

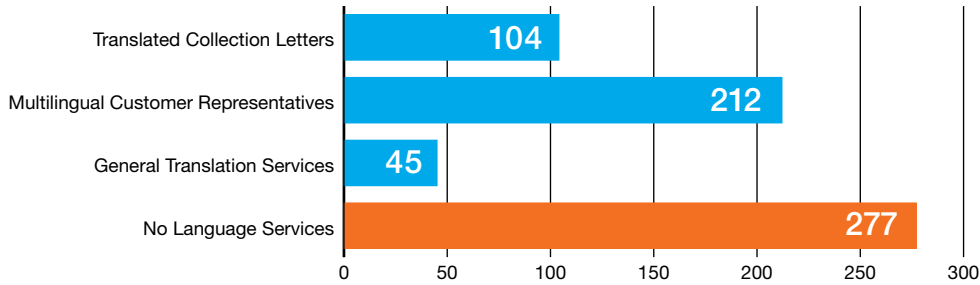
### Less than a quarter of debt collectors provide translations of collection letters.

Of the 517 collectors who contact consumers directly to collect debt, only 104 (20 percent) reported they provide consumers collection letters in a language other than English. This means that a significant portion of LEP consumers in New York City are not being provided with validation disclosures in a language they understand. See Figure 4 on page 19.

**Very few debt collectors provide general translation services.**

Of the 517 collectors who contact consumers directly to collect debt, only 45 (9 percent) reported they provide some form of general translation services, such as real-time, on-demand interpretation on the phone. See Figure 4.

Figure 4. Services collectors provide consumers in languages other than English (Service Totals)



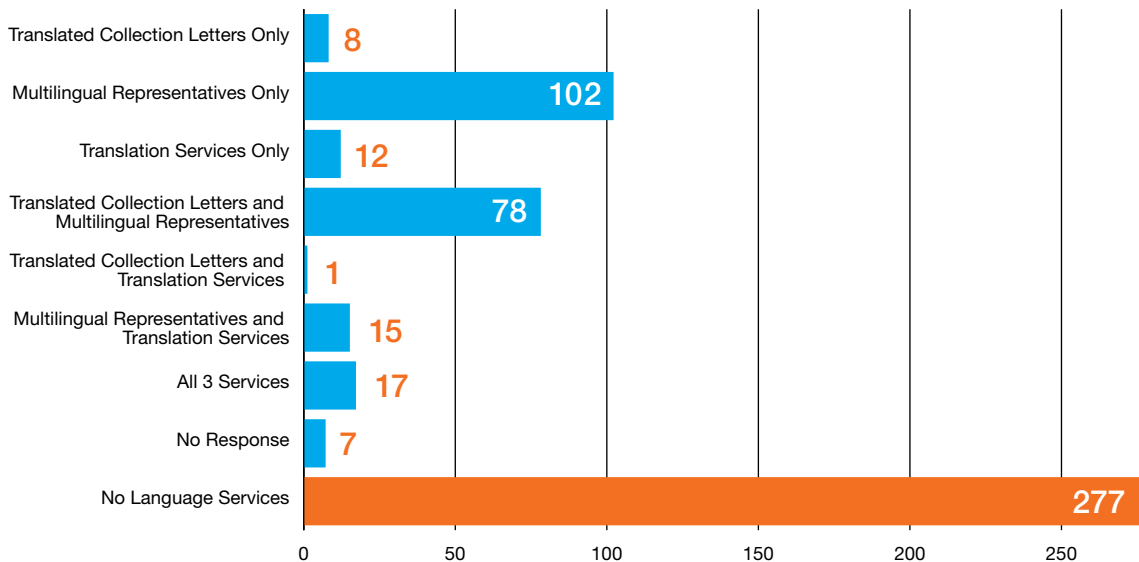
*Note: Some collectors reported they provide more than one service and may be accounted for in all three service totals.*

**Of the debt collectors that provide some form of language access services, almost half reported they provide at least two services.**

Of the 240 collectors that contact consumers in a language other than English, 233 indicated which non-English language services they provide. Seven (7) collectors did not provide information.

Out of the 233 collectors, 111 (48 percent) reported that they offer two or more types of language access services, with the two most common being translation of collection letters and some form of multilingual customer representatives. See Figure 5.

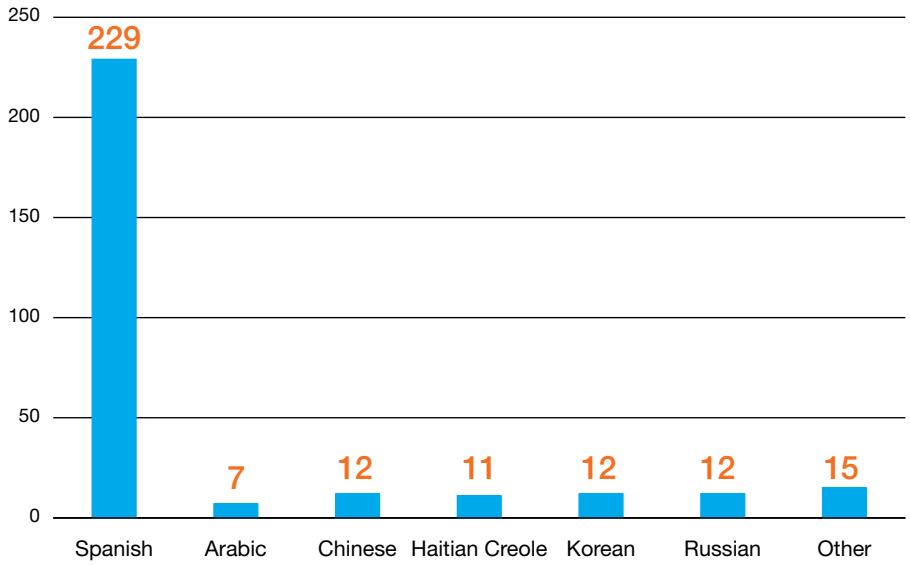
Figure 5. Services collectors provide consumers in languages other than English (Response Breakdown)



**Most debt collectors only provide language services for Spanish-speaking consumers.**

The majority of collectors that indicated they offer translated collection letters or provide multilingual customer representatives offer these services in Spanish only. In places like New York City, where half of LEP consumers speak a language other than Spanish, such services are inadequate.<sup>49</sup> See Figure 6.

Figure 6. Languages other than English in which collectors contact consumers



# Part Three: Conclusions and Recommendations

## Conclusions

When left to their own devices, debt collectors are not taking adequate steps to ensure that LEP consumers can understand and resolve their alleged debts. Moreover, although government regulators have made significant strides in the area of language access, more must be done to ensure that LEP consumers are afforded the same opportunity as English-speaking consumers to understand their rights. This is especially true in places like New York City, home to sizable LEP consumer populations.

DCA's LEP Initiative confirmed that LEP consumers continue to face substantial obstacles in understanding and resolving debt collection claims. Many do not understand their rights under federal, state, and City law, and debt collectors are under no obligation to help them understand. Even collectors that attempt to provide some level of language access assistance often fall short; for example, documents may be only partially translated or staff members are not properly trained or do not speak the language proficiently and may discourage consumers from taking advantage of the services offered.

## Recommendations

### Legislation

DCA recommends that federal, state, and/or local lawmakers amend the laws regulating debt collection to:

- Require regulators to make available to debt collection agencies in multiple languages models of all legally required consumer notices, disclosures, and correspondences, as well as a glossary of commonly used debt collection terms.
- Require that, upon receiving a consumer's language preference, in any form of communication and at any time, debt collectors cease collection activity for 30 days after the consumer is provided with a validation notice in the consumer's preferred language.
- Require that debt collectors include in all initial consumer correspondence a clear and conspicuous disclosure in multiple languages that validation notices are available in a consumer's preferred language.
- Require that all debt collectors provide a glossary of commonly used debt collection terms in the same language as the validation notice and, upon request, in any language in which a glossary is made available by a regulating body.
- Require that debt collectors provide a notice on any public facing website(s) and in written communications that a glossary is available from the debt collector in any language in which a glossary is made available by a regulating body.
- Require that debt collectors request and retain on file:
  - language preference of each consumer from whom the agency attempts to collect debt;
  - number of consumer accounts serviced in a language other than English; and
  - number of customer representatives employed to service accounts in a language other than English and the languages they speak proficiently.

- Require that debt collectors indicate consumers' language access preferences in consumer files that may be transferred back to the creditor or to another debt collector, referred for litigation, or sold to a debt buyer.
- Prohibit inaccurate or incomplete translations in connection with the collection of any debts.

## Consumer Education

- **Glossary of Debt Collection Terms:** Regulators should make available on their websites a glossary of commonly used debt collection terms, translated into the top 10 languages spoken either in the United States or in the local regulated community.
- **Debt Collection Guide:** Regulators should maintain on their websites updated guides to navigating a debt collection claim in multiple languages.<sup>50</sup>

DCA is committed to pursuing these recommendations by legislation or rule so *all* New York City consumers can understand their rights and the debt collection process and are protected from any harmful practices by licensed debt collectors.

# Endnotes

<sup>1</sup> Federal Reserve Bank of New York, “Quarterly Report on Household Debt and Credit,” *available at* [https://www.newyorkfed.org/medialibrary/interactives/householdcredit/data/pdf/HHDC\\_2019Q2.pdf](https://www.newyorkfed.org/medialibrary/interactives/householdcredit/data/pdf/HHDC_2019Q2.pdf) (August 2019).

<sup>2</sup> *Id.*

<sup>3</sup> Federal Reserve Statistical Release, “Consumer Credit: June 2019,” *available at* <https://www.federalreserve.gov/releases/g19/current/g19.pdf> (August 7, 2019).

<sup>4</sup> Steve Holt and Katherine Lucas McKay, *Consumer Debt: A Primer*, Aspen Institute’s Financial Security Program, March 2018, *available at* [https://assets.aspeninstitute.org/content/uploads/2018/03/ASPEN\\_ConsumerDebt\\_06B.pdf](https://assets.aspeninstitute.org/content/uploads/2018/03/ASPEN_ConsumerDebt_06B.pdf)

<sup>5</sup> In 2013, about 25 percent of LEP individuals lived in households with an annual income below the official poverty line—nearly double the percentage of English-proficient persons. See Jie Zong and Jeanne Batalova, *The Limited English Proficient Population in the United States*, Migration Policy Institute (July 8, 2015), *available at* <https://www.migrationpolicy.org/article/limited-english-proficient-population-united-states>.

<sup>6</sup> U.S. Government Accountability Office, “Credit Cards: Fair Debt Collection Practices Act Could Better Reflect the Evolving Debt Collection Marketplace and Use of Technology,” GAO-09-748, September 2009, p. 35.

<sup>7</sup> NYC Mayor’s Office of Immigrant Affairs, “State of Our Immigrant City: MOIA Annual Report for Calendar Year 2018,” March 2019, p. 13, *available at* [https://www1.nyc.gov/assets/immigrants/downloads/pdf/moia\\_annual\\_report%202019\\_final.pdf](https://www1.nyc.gov/assets/immigrants/downloads/pdf/moia_annual_report%202019_final.pdf)

<sup>8</sup> *See supra*, note 1.

<sup>9</sup> Federal Reserve Bank of New York, “Total Household Debt Climbs for 20th Straight Quarter as Mortgage Debt and Originations Arise,” *available at* <https://www.newyorkfed.org/newsevents/news/research/2019/20190813> (August 13, 2019)

<sup>10</sup> [https://www.nclc.org/images/pdf/debt\\_collection/Debt-Collection-Facts-2016.pdf](https://www.nclc.org/images/pdf/debt_collection/Debt-Collection-Facts-2016.pdf)

<sup>11</sup> [https://files.consumerfinance.gov/f/documents/bcfc\\_complaint-snapshot\\_debt-collection\\_052018.pdf](https://files.consumerfinance.gov/f/documents/bcfc_complaint-snapshot_debt-collection_052018.pdf)

<sup>12</sup> NYC Mayor’s Office of Immigrant Affairs, “State of Our Immigrant City.” Annual Report, (March 2018), *available at* [https://www1.nyc.gov/assets/immigrants/downloads/pdf/moia\\_annual\\_report\\_2018\\_final.pdf](https://www1.nyc.gov/assets/immigrants/downloads/pdf/moia_annual_report_2018_final.pdf).

<sup>13</sup> 15 U.S.C. §1692(e).

<sup>14</sup> *See, e.g.*, Federal Trade Commission Enforcement of the Fair Debt Collection Practices Act In Calendar 2018: Report to the Consumer Financial Protection Bureau, *available at* [https://www.ftc.gov/system/files/documents/reports/federal-trade-commission-enforcement-fair-debt-collection-practices-act-calendar-2018-report-bureau/p064803\\_ftc\\_report\\_to\\_cfpb\\_re\\_fdcpa\\_calendar\\_2018\\_3-20-19.pdf](https://www.ftc.gov/system/files/documents/reports/federal-trade-commission-enforcement-fair-debt-collection-practices-act-calendar-2018-report-bureau/p064803_ftc_report_to_cfpb_re_fdcpa_calendar_2018_3-20-19.pdf).

<sup>15</sup> 15 U.S.C. § 1692l(d), as amended by section 1089 of the Dodd-Frank Act.

<sup>16</sup> 15 U.S.C. § 1692(n).

<sup>17</sup> *See* 23 NYCRR 1.

<sup>18</sup> *See* New York City Administrative Code (“NYC Code”), Title 20, Section 20-490 *et seq.* (Debt Collection Licensing Laws); Rules of the City of New York (“RCNY”), Title 6, Section 2-190 *et seq.* (Debt Collection Licensing Rules); NYC Code Section 20-700 *et seq.* (Consumer Protection Law).

<sup>19</sup> See NYC Code § 20-493.2(a); 6 RCNY § 2-190.

<sup>20</sup> See NYC Code § 20-493.2(b); 6 RCNY § 2-191.

<sup>21</sup> See NYC Code § 20-493.1(a).

<sup>22</sup> See 6 RCNY § 2-193.

<sup>23</sup> See 6 RCNY § 5-76 et seq.

<sup>24</sup> See CFPB Notice of Proposed Rulemaking to Implement the Fair Debt Collection Practices Act, available at [https://files.consumerfinance.gov/f/documents/cfpb\\_debt-collection-NPRM.pdf](https://files.consumerfinance.gov/f/documents/cfpb_debt-collection-NPRM.pdf) (May 7, 2019).

<sup>25</sup> *Id.* at 475, 526.

<sup>26</sup> *Id.* at 476, 526-27.

<sup>27</sup> A video of the roundtable is available at <https://www.consumerfinance.gov/about-us/blog/live-from-long-beach/>; see also [https://files.consumerfinance.gov/f/201410\\_cfpb\\_transcript\\_debt-collection-and-the-latino-community\\_spanish.txt](https://files.consumerfinance.gov/f/201410_cfpb_transcript_debt-collection-and-the-latino-community_spanish.txt) (Spanish-language transcript).

<sup>28</sup> Available at <https://www.ftc.gov/enforcement/cases-proceedings/112-3142/rincon-management-services-llc>

<sup>29</sup> Available at <https://www.ftc.gov/enforcement/cases-proceedings/122-3086/rtb-enterprises-inc>

<sup>30</sup> Available at <https://www.ftc.gov/enforcement/cases-proceedings/142-3159/centro-natural-corp>

<sup>31</sup> *Id.*

<sup>32</sup> See *In re American Express Centurion Bank*, CFPB File No. 2017-CFPB-0016.

<sup>33</sup> See CFPB Spanish-language website, available at <https://www.consumerfinance.gov/es/>.

<sup>34</sup> Available at <https://www.consumer.ftc.gov/sites/default/files/articles/pdf/spdf-0198-cobradores-de-dueda.pdf>.

<sup>35</sup> See FTC videos, available at <https://www.youtube.com/user/FTCvideos> (FTC YouTube Channel); <https://www.consumidor.ftc.gov/blog> (Spanish-language consumer blog).

<sup>36</sup> Cal. Civ. Code § 1632(b) (as amended by 2014 Cal SB 245).

<sup>37</sup> Tex. Finance Code § 341.502(a)-(a-1).

<sup>38</sup> 6 RCNY § 5-33.

<sup>39</sup> *Id.*

<sup>40</sup> NYC Code § 20-268.3.

<sup>41</sup> 6 RCNY § 5-173(b).

<sup>42</sup> 6 RCNY § 5-273(c).

<sup>43</sup> Several other licensed debt collection agencies had been selected to participate in the project but, for various reasons, including that the businesses are no longer in business or licensed by DCA, they failed to provide complete responses to the Department.

<sup>44</sup> DCA staff proficient in Spanish translated the consumer questionnaire to Spanish.

<sup>45</sup> DCA staff proficient in Spanish conducted consumer telephone interviews in Spanish.



<sup>46</sup> DCA staff proficient in Spanish reviewed the audio recordings. Staff determined that many of the language access services reported by agencies were provided by collector representatives who did not seem qualified. DCA also looked into some of the outside translation services used by agencies and determined that some of the services seemed to be of questionable quality.

<sup>47</sup> Debt collection agencies provided no indication of the qualifications or level of proficiency of multilingual customer representatives and/or the outside translation services being used. For the purposes of this report, DCA assumes that multilingual customer representatives have minimum proficiency requirements and training to provide language access services in a language other than English.

<sup>48</sup> To maintain anonymity, the last names of the consumer and representative have been changed.

<sup>49</sup> See U.S. Census Bureau, 2013-2017 American Community Survey Summary File Population Division – New York City Department of City Planning (April 2019).

<sup>50</sup> DCA's "Debt Collection Guide" can be found at: <https://www1.nyc.gov/assets/dca/downloads/pdf/consumers/Consumers-Debt-Collection-Guide-English.pdf>

# Appendix

## Appendix A



DCA LICENSING CENTER  
 42 Broadway, Lobby  
 New York, NY 10004  
 Renewal Unit Telephone: (212) 487-4060  
 nyc.gov/dca

### DEBT COLLECTION AGENCY – LICENSING & RENEWAL SUPPLEMENT

**Instructions:** You must provide current information for your business as requested in the boxes below and affirm that your responses are true. For the purposes of this form, the terms “you” and “your” refer to the business entity applying for a license or renewal.

Applicant / Licensee Information:			
<b>(A) Legal Name of Business:</b> <small>(The Legal Name that you provide must be exactly as filed with the County Clerk or New York State Secretary of State)</small>	<b>(B) DCA License Number:</b> <small>(Fill in if you are <u>renewing</u>; leave blank if this is a <u>new</u> license application.)</small> <div style="border: 1px solid black; width: 100%; height: 20px; margin-top: 5px;"></div>		
<b>(C) Business Premises Address:</b> <small>(Building Number, Street Name, Unit, e.g., Floor, Suite)</small>			
City:	State/Province:	ZIP Code:	Country:
<b>(D) Telephone Number:</b>	<b>(E) Fax Number:</b>	<b>(F) Email:</b>	
<b>(G) Website:</b>			

For the purposes of the questions below, the term “debt” is defined to have the meaning set forth in Section 20-489(d) of the New York City Administrative Code. (“The term ‘debt’ means any obligation or alleged obligation of a consumer to pay money arising out of a transaction in which the money, property, insurance, or services which are the subject of the transaction are primarily for personal, family, or household purposes, whether or not such obligation has been reduced to judgment, or any obligation or alleged obligation arising out of a judgment or valid agreement for the payment of child support.”)

<b>1. (a)</b> Does your business contact NYC consumers directly to collect debt, including by mail or telephone?	<input type="checkbox"/> <b>YES</b> (Contacts consumers directly to collect debt.)	<input type="checkbox"/> <b>NO</b> (Does <i>not</i> contact consumers directly to collect debt.)
<b>(b)</b> If YES, what is the total number of NYC consumers contacted by your business in 2017 and 2018?	<b>2017</b> _____	<b>2018</b> _____
<b>2. (a)</b> Does your business contact consumers in a language other than English to collect debts?	<input type="checkbox"/> <b>YES</b> (Contacts consumers in a language other than English.)	<input type="checkbox"/> <b>NO</b> (Does <i>not</i> contact consumers in a language other than English.)
<b>(b)</b> If YES, which languages?	a. Spanish <input type="checkbox"/> b. Arabic <input type="checkbox"/> c. Chinese <input type="checkbox"/> d. Haitian Creole <input type="checkbox"/>	e. Korean <input type="checkbox"/> f. Russian <input type="checkbox"/> g. Other _____ <input type="checkbox"/>
<b>(c)</b> If YES, which services do you provide consumers in languages other than English?	a. Collection letters <input type="checkbox"/> b. Multilingual customer representatives <input type="checkbox"/>	c. General translation services <input type="checkbox"/>

Updated 11-05-2018

<b>3.</b> Does your business purchase delinquent debt?	<input type="checkbox"/> <b>YES</b> (Purchases delinquent debt.)	<input type="checkbox"/> <b>NO</b> (Does <i>not</i> purchase delinquent debt.)																																								
<b>4. (a)</b> Is your business a law firm?	<input type="checkbox"/> <b>YES</b> (Business is a law firm.)	<input type="checkbox"/> <b>NO</b> (Business is <i>not</i> a law firm.)																																								
<b>(b)</b> Does your business collect debt in the capacity of an attorney-at-law or law firm on behalf of and in the name of a client or clients solely through activities that may only be performed by a licensed attorney?	<input type="checkbox"/> <b>YES</b>	<input type="checkbox"/> <b>NO</b>																																								
<b>(c)</b> Does your business operate under the supervision of at least one attorney who is <i>currently licensed to practice law in the State of New York</i> ?  If the answer is YES, provide the name of the New York State-licensed attorney who supervises debt collection activities and the size of the Supervising Attorney's staff, limited to the <i>total number of attorneys who are currently licensed to practice law in the State of New York</i> .	<input type="checkbox"/> <b>YES</b> <span style="float: right;"><input type="checkbox"/> <b>NO</b></span>																																									
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<b>5.</b> Check the type(s) of business activities that you engage in ( <i>check all that apply</i> ):																																										
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 45%; padding: 2px;">a. First party collections</td> <td style="width: 5%; text-align: center;"><input type="checkbox"/></td> <td style="width: 45%; padding: 2px;">k. Third party collections</td> <td style="width: 5%; text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="padding: 2px;">b. Debt buyer</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="padding: 2px;">l. Account / billing services</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="padding: 2px;">c. Initiating collection lawsuits</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="padding: 2px;">m. Child support collections</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="padding: 2px;">d. Bad check recovery</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="padding: 2px;">n. Student loan debt servicing</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="padding: 2px;">e. Consumer credit collections</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="padding: 2px;">o. Student loan debt collections</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="padding: 2px;">f. Government / Municipal collections</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="padding: 2px;">p. Litigating collection lawsuits</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="padding: 2px;">g. Medical debt collections</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="padding: 2px;">q. Enforcing consumer credit judgments</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="padding: 2px;">h. Payday loan collections</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="padding: 2px;">r. Mortgage servicing</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="padding: 2px;">i. Debt / Credit counseling</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="padding: 2px;">s. Telecom / Utilities collections</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="padding: 2px;">j. Debt settlement</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="padding: 2px;">t. Credit repair</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>			a. First party collections	<input type="checkbox"/>	k. Third party collections	<input type="checkbox"/>	b. Debt buyer	<input type="checkbox"/>	l. Account / billing services	<input type="checkbox"/>	c. Initiating collection lawsuits	<input type="checkbox"/>	m. Child support collections	<input type="checkbox"/>	d. Bad check recovery	<input type="checkbox"/>	n. Student loan debt servicing	<input type="checkbox"/>	e. Consumer credit collections	<input type="checkbox"/>	o. Student loan debt collections	<input type="checkbox"/>	f. Government / Municipal collections	<input type="checkbox"/>	p. Litigating collection lawsuits	<input type="checkbox"/>	g. Medical debt collections	<input type="checkbox"/>	q. Enforcing consumer credit judgments	<input type="checkbox"/>	h. Payday loan collections	<input type="checkbox"/>	r. Mortgage servicing	<input type="checkbox"/>	i. Debt / Credit counseling	<input type="checkbox"/>	s. Telecom / Utilities collections	<input type="checkbox"/>	j. Debt settlement	<input type="checkbox"/>	t. Credit repair	<input type="checkbox"/>
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j. Debt settlement	<input type="checkbox"/>	t. Credit repair	<input type="checkbox"/>																																							
<b>6.</b> Have you been subject to an adverse finding or settlement for debt collection practices by any regulatory agency, including but not limited to the Federal Trade Commission (FTC), Consumer Financial Protection Bureau (CFPB), State Attorneys General in any jurisdiction, within the last two years?																																										
<input type="checkbox"/> <b>YES</b> <span style="margin-left: 100px;"><input type="checkbox"/> <b>NO</b></span>																																										
If YES, provide copies of all findings, consent orders, or settlements with any government or regulatory body in 2017 and 2018.																																										

7. Provide the following information about the person who completed this form:

Person completing this form:		
(A) Name:		
(B) Title:	(C) Company:	
(D) Address:		
(E) Telephone number:	(F) Fax:	(G) Email address:
(H) Relationship to applicant / license holder: <input type="checkbox"/> I am a designated representative of the license holder. <input type="checkbox"/> I am an owner, partner, or corporate officer of the license holder.		

**Affirmation:**

I am authorized to complete and submit this application (the "Application"). I have reviewed the entire Application. To the best of my knowledge, this Application is true, correct, and complete.

If any of the information in this Application changes, the applicant must inform the Department of Consumer Affairs of those changes. I also understand that the applicant must comply with all relevant laws and rules relating to the license which I am renewing.

I understand that the submission of this Application does not mean that my license has been renewed and that any operation of my business after the expiration of my current license and before the issuance of a new license may subject me to penalties. This affirmation shall be deemed executed in the City and State of New York and shall be governed by and construed in accordance with the laws of the State of New York (notwithstanding New York choice of law or conflict of law principles) and the laws of the United States.

**PENALTY FOR FALSE STATEMENTS:**

It is against the law to make a statement in this Application that you know is false. If you make a statement that you know is false, you may be punished.

Under Sections 210.45 and 175.30 of the New York Penal Law, you may be:

- fined up to \$1000 and / or
- sent to jail for up to one year

Under Section 175.35 of the New York Penal Law, you may be punished if you:

- make a statement that you know is false and / or
- make the statement because you intend to mislead the Department of Consumer Affairs

Under Section 175.35 of the New York Penal Law, you may be:

- fined up to \$5000 or
- fined an amount that is twice the amount of money you received by making the false statement and / or
- sent to jail for up to 4 years

The Department of Consumer Affairs may also punish you for making a false statement on this Application. These punishments may include:

- fines or penalties of up to \$500 for each false statement
- permanent loss (revocation) of your license

**By signing below, I affirm that the statements above are true and correct.**

\_\_\_\_\_  
*Applicant's Signature\**

\_\_\_\_\_  
*Applicant's Position/Title (if any)*

\_\_\_\_\_  
*Print Full Name*

\_\_\_\_\_  
*Date*

*\*If you submit this form as an electronically filled-in PDF, the applicant may type his or her name in the signature field.*

## Appendix B



Lorelei Salas  
Commissioner

42 Broadway  
New York, NY 10004

Dial 311  
(212-NEW-YORK)

nyc.gov/consumers

[INSERT DATE]

### CONSUMER QUESTIONNAIRE ON DEBT COLLECTION

The Department of Consumer Affairs seeks information from NYC consumers regarding dealings with the following licensed debt collection agency: **[Insert Deco Name]**

We are seeking the following information from you, because you previously submitted a complaint about this debt collection agency.

Please read below and respond no later than: **[insert date two weeks from letter]**. Thank you for your anticipated cooperation.

NYC Consumer Name: \_\_\_\_\_ **[insert name]** \_\_\_\_\_

Current Address: \_\_\_\_\_ **[insert address]** \_\_\_\_\_

How long have you resided at the above address? \_\_\_\_\_

Phone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_

Best way to contact you: \_\_\_\_\_

Best hour to contact you (M-F, 9-5pm): \_\_\_\_\_

What is the primary language spoken at home? \_\_\_\_\_

*\*Important Note: Please limit your answers to the questions below. Only include information regarding your interactions with **[Insert Deco Name]** while you were a New York City resident living in one of the 5 boroughs.*

\*\*\*

#### I. What is your English Proficiency?:

What is your preferred language? \_\_\_\_\_

Is English a second language?  Yes  No

Are you comfortable communicating verbally in English?  Yes  No

Are you comfortable reading/writing in English?  Yes  No





Lorelei Salas  
Commissioner

42 Broadway  
New York, NY 10004

Dial 311  
(212-NEW-YORK)

nyc.gov/consumers

[INSERT DATE]

### CUESTIONARIO DE CONSUMIDOR SOBRE LA COLECCIÓN DE DEUDAS

El Departamento de Asuntos del Consumidor busca información de los consumidores de la Ciudad de Nueva York con respecto a las transacciones con la siguiente agencia de cobro de deudas: [Insert Deco Name]

Estamos buscando la siguiente información de usted, porque usted presentó previamente una queja sobre esta agencia de cobro de deudas.

Por favor lea a continuación y responda no más tarde que: [insert date two weeks from letter]. Gracias por su cooperación anticipada.

NYC Nombre del Consumidor: \_\_\_\_\_ [insert name] \_\_\_\_\_

Dirección actual: \_\_\_\_\_ [insert address] \_\_\_\_\_

Cuánto tiempo ha residido en la dirección anterior? \_\_\_\_\_

Número de teléfono: \_\_\_\_\_ Dirección de correo electrónico: \_\_\_\_\_

La mejor manera de contactarle: \_\_\_\_\_

Mejor hora para contactarlo (M-F, 9-5 pm): \_\_\_\_\_

Cuál es el idioma principal que se habla en casa? \_\_\_\_\_

*\* Nota importante: Por favor, limite sus respuestas a las siguientes preguntas para incluir solo información sobre sus interacciones con el cobrador de deudas nombrado arriba mientras usted fuera un residente de la Ciudad de Nueva York (vivió en uno de los 5 distritos de Nueva York).*

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#### I. Cuál es su nivel de inglés?:

Cuál es su idioma preferido? \_\_\_\_\_

Es el inglés un segundo idioma?  Si  No

Está usted cómodo comunicándose verbalmente en inglés?  Si  No

Está usted cómodo escribiendo / leyendo en inglés?  Si  No





**II. Conversaciones con [Insert DeCo name]:**

Alguna vez has tenido una conversación con este cobrador de deudas en cualquier idioma que no sea el inglés?

Sí  No Si es así, qué idioma? \_\_\_\_\_

Si lo solicitó, fue capaz de hablar con el cobrador de deudas utilizando su idioma preferido?

Sí  No  No Aplicable If No, please explain: \_\_\_\_\_

Utilizó alguna opción de teléfono para comunicarse en su idioma preferido?

Sí  No Si es así, qué idioma? \_\_\_\_\_

Experimentó algún problema comunicándose en su idioma preferido con este cobrador de deudas?

Sí  No Por favor explique: \_\_\_\_\_

**III. Cartas de [insert DeCo name]:**

Alguna vez recibió una carta de este cobrador de deudas que contenga alguna palabra que no esté en inglés?

Sí  No Si es así, qué idioma? \_\_\_\_\_

Tiene una copia de esta carta?

Sí  No

Alguna de las cartas del cobrador de deudas incluyen instrucciones que le aconsejen que llame a un número de teléfono para recibir asistencia en un idioma que no sea el inglés?

Sí  No Si es así, qué idioma? \_\_\_\_\_

Tiene una copia de esta carta?

Sí  No

**Envíe este formulario completado y cualquier documento relacionado a:**

**Por correo electrónico (preferido): [2017Debtsurvey@dca.nyc.gov](mailto:2017Debtsurvey@dca.nyc.gov)**

**O envíe un correo a: New York City Department of Consumer Affairs**

**Office of the General Counsel**

**42 Broadway, Floor 9**

**New York, NY 10004**

**Attn: Shantely Genao Phone: (212) 436- 0335**

# Notes



