

Fast Facts: Supplemental Debt Collection Proposal on Time-Barred Debt

Supplemental Debt Collection Proposal on Time-Barred Debt: Would further amend Regulation F, 12 CFR Part 1006, which implements the Fair Debt Collection Practices Act (FDCPA).

Proposed effective date: One year after the final rule is published in the Federal Register.

Comments due: August 4, 2020. Detailed information on how to submit comments can be found in the supplemental proposal.

Available at: <https://www.consumerfinance.gov/policy-compliance/rulemaking/rules-under-development/debt-collection-practices-regulation-f/>

About this document: On May 7, 2019, the Bureau issued a proposal (the May 2019 Proposed Rule) to amend Regulation F, which implements the Fair Debt Collection Practices Act (FDCPA). The May 2019 Proposed Rule was published in the Federal Register on May 21, 2019 and would prescribe federal rules governing the activities of debt collectors, as that term is defined in the FDCPA. The supplemental proposal on time-barred debt supplements the May 2019 Proposed Rule by adding a proposed §1006.26(c), as well as a related provision of §1006.34(c), Model Forms, and Official Interpretations. It would require debt collectors to make certain disclosures when collecting time-barred debts. Initially, the Bureau's supplemental proposal had a comment deadline of May 4, 2020. On March 20, 2020, the Bureau extended the comment period on the supplemental proposal until June 5, 2020. On May 19, 2020, the Bureau provided an additional extension of the comment period on the supplemental proposal until August 4, 2020.

Key proposed disclosures

Disclosure	Proposed disclosures	Location in proposed rule
Time-barred debt and revival disclosures	<p>The supplemental proposal on time-barred debt would require debt collectors who are collecting debts that they know or should know are time barred to provide time-barred debt disclosures and, if applicable, revival disclosures to consumers.</p> <p>The supplemental proposal on time-barred debt sets forth proposed timing and formatting requirements and includes a proposed safe harbor for debt collectors who use the Bureau's model forms when making the time-barred debt and revival disclosures.</p> <p>The May 2019 Proposed Rule defines a time-barred debt as a debt for which the applicable statute of limitations has expired.</p>	1006.26(c)

Proposed model forms

Proposed model form	Description in proposed rule	Location in proposed rule
Model Time-Barred Debt and Revival Disclosures	The supplemental proposal on time-barred debt would permit a debt collector to comply with proposed 1006.26(c)'s disclosure requirements by using the applicable Model Form (i.e., Model Form B-4 through B-7).	Appendix B

Additional resources

- Find more implementation information and sign up for updates about debt collection rule implementation at <https://www.consumerfinance.gov/policy-compliance/rulemaking/rules-under-development/debt-collection-practices-regulation-f/>.