



Solutions by Text Applauds CFPB For Forward-Thinking Proposed Debt Collection Rule

May 13, 2019 — Solutions by Text wants to applaud the Consumer Financial Protection Bureau in understanding the popularity of communicating via text message and incorporating that communication channel in its proposed rule implementing the Fair Debt Collection Practices Act.

The CFPB earlier this week released its proposed debt collection rule to update and amend the FDCPA, which was initially enacted in 1977 and, in fact, references telegrams and collect calls. The FDCPA does not currently include any provision that explicitly governs the use of digital technologies, such as text messaging and email, despite the widespread popularity that both channels share among consumers.

Under the proposed rule, debt collectors would be able to communicate with consumers via text messaging when following specific steps and taking necessary precautions to ensure consumers can opt-out from receiving future communications via an electronic channel.

“Solutions by Text is excited with this new chapter in the evolution of debt collecting,” said Danny Cantrell, the company’s Chief Executive Officer. “Text messaging is such a common communication platform and lends itself to giving consumers an easy way to interact with debt collectors and make payments. We are hopeful that what the CFPB has proposed this week is ultimately included in a final rule.”

Collection agencies may be more likely to use digital technology channels like text messaging following a proposal from the CFPB to limit the number of calls and conversations that collectors can have with consumers.

“Communicating and making payments via text messaging allows consumers to take care of business on their own time, according to their schedule,” Cantrell said. “Consumers don’t have to wait for a phone call; this proposal gives consumers more power to manage their finances and allows consumers to conduct business using a communication platform that sees billions of messages sent every day.”

Solutions by Text is excited at the prospect of working with the Consumer Financial Protection Bureau as it seeks to help modernize debt collection and align consumer communication preferences with compliant processes and procedures.

Solutions by Text (SBT) is a division of Marketing Response Solutions, LLC, a privately held corporation whose primary focus is global delivery of critical information in an SMS format. SBT is a premier partner on the US Short code registry and has developed proprietary software designed to adhere to regulations within the mobile device industry.

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