



Consumer Federation of America

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CFA RELEASES ADVICE FOR CONSUMERS CONTACTED BY DEBT COLLECTORS

Tips Will Help Consumers Protect Themselves Against Fraud

Washington, D.C. – Consumer Federation of America has issued a series of consumer [tips](#) to guard against fraudulent debt collectors, understand their rights under the federal Fair Debt Collection Practices Act, and protect them if they are sued.

Last year alone, the Federal Trade Commission brought four lawsuits against fraudulent collectors who collected millions of dollars in “phantom” debt that did not exist or was not owed to these collectors. Consumers were intimidated into paying over \$15 million dollars by illegal threats of immediate arrest and disclosure of debts to employers. “With the rapid increase in fraudulent debt collection, it is essential that consumers know how to protect themselves,” said Laura Udis, Senior Financial Services Advocate at the Consumer Federation of America.

Consumers have “self-help” rights under the federal collection laws that they may exercise without hiring an attorney. These include advising the collector to cease communication, disputing the debt, requiring proof of the amount owed, and the name of the original creditor to whom the debt was due. While consumers have all of these rights, collectors are only required to advise them of certain ones.

“CFA’s easy-to-understand guide outlines consumer’s rights and how to exercise them,” said Udis. “Knowing your rights is the best way to insure fair collection processes and to keep from paying debts you don’t owe.”

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Consumer Federation of America is an association of nearly 280 non-profit consumer organizations that was established in 1968 to advance the consumer interest through research, education and advocacy.