

Written Testimony of David Reid, Director of Government Affairs & Policy
DBA International
HB 5571
Joint Banking Committee
March 8, 2016

Respected members of the Joint Banking Committee, my name is David Reid and I am Director of Government Affairs and Policy for DBA International. Thank you for this opportunity to offer comments concerning House Bill 5571.

DBA International is the nonprofit trade association that represents the interests of more than 550 companies throughout the nation that purchase or support the purchase of performing and nonperforming receivables on the secondary market. Colloquially, these companies are often referred to as debt buyers or debt buying companies.

DBA International regrettably opposes HB 5571 as it is currently drafted due to several provisions in the bill that we see as being harmful to both consumers and the business community. However, we have submitted amendments that would address the industry's concerns as we would like to support the adoption of this bill and the worthy goals it seeks to achieve.

I'm proud to say that DBA International has a long history of advocating for enhanced consumer protections. We see consumer protection being good not only for consumers but also for the broader collection industry as it helps to insure there is no place for bad actors or phantom debt collectors to operate.

A case in point is our national certification program which has been recognized by state and federal regulators for its rigorous uniform industry standards designed to not only meet but in most cases exceed the requirements of state and federal law. We require all member companies who actively purchase receivables to be certified as a condition of membership.

DBA International has also been instrumental in the adoption of more than a dozen state laws and regulations over the last several years, including successfully advocating for the licensure of debt buyers in Connecticut in 2013.

In closing, I would like to thank Rep. Lesser for promoting the introduction of this legislation as it is very consistent with consumer protections that DBA International unsuccessfully advocated for in Connecticut in 2013. In particular, we are pleased to see the provisions that prohibit the litigating of consumer debt when it is beyond the statute of limitations and prohibit the reviving of the statute of limitations after the statute has expired. DBA International considers both provisions an industry best practice which is why we supported its adoption in Maine in 2015 and have recently advocated for its adoption in Massachusetts, Rhode Island, and Maryland.

Thank you for your time and I will be happy to take any questions you may have.