

**FEDERAL TRADE COMMISSION
OFFICE OF THE SECRETARY
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600 PENNSYLVANIA AVENUE, N.W.
WASHINGTON DC, 20580**

ALTERNATIVE FORMS OF PRIVACY NOTICE

PROJECT NO. P034815

**COMMENTS OF ACA INTERNATIONAL IN RESPONSE
TO THE FEDERAL TRADE COMMISSION'S ADVANCE
NOTICE OF PROPOSED RULEMAKING:**

**INTERAGENCY PROPOSAL TO CONSIDER ALTERNATIVE
FORMS OF PRIVACY NOTICES UNDER
THE GRAMM-LEACH-BLILEYACT**

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ALTERNATIVE FORMS OF PRIVACY NOTICES
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INTRODUCTION

The following comments are submitted on behalf of ACA International (“ACA”) in response to the request by the Federal Trade Commission (“FTC” or “Commission”) for comments on whether the FTC and the other Agencies that enforce the Gramm-Leach-Bliley Act (“GLB Act”) should consider amending their implementing rules to allow or require financial institutions to provide alternative types of privacy notices that would be easier for consumers to understand. *See* Advance Notice of Proposed Rulemaking: Interagency Proposal to Consider Alternative Forms of Privacy Notices Under the Gramm-Leach-Bliley Act, 68 Fed. Reg. 75164 (Dec. 30, 2003) (“ANPR”). In the case of the FTC, the regulations implementing the GLB Act (the “Privacy Rule”) are codified at 16 C.F.R. Part 313. *See* Privacy of Consumer Financial Information: Final Rule, 65 Fed. Reg. 33645 (May 24, 2000).

I. Statement on ACA International

ACA International is an international trade organization of credit and collection professionals who provide a wide variety of accounts receivable management services. Headquartered in Minneapolis, Minnesota, ACA represents approximately 5,300 third party collection agencies, attorneys, credit grantors, and vendor affiliates. Members comply with all applicable federal and state laws and regulations regarding debt collection, as well as ethical standards and guidelines established by ACA. Specifically, the

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FTC PROJECT NO. P034815

collection activity of ACA members is regulated by the Commission under the Fair Debt Collection Practices Act (“FDCPA”), 15 U.S.C. § 1692 *et seq.*, and the Fair Credit Reporting Act, 15 U.S.C. § 1681 *et seq.*, in addition to analogous state laws.

Some ACA members also participate in ACA’s Asset Buyers Program. The Asset Buyers Program assists members that purchase debt from third party creditors. The sale and purchase of accounts receivables is a growing trend within the collection industry, and ACA anticipates that debt purchasing by collection agencies will continue to increase.

II. General Comments on the Application of the GLB Act and Privacy Rule to ACA Members

Before addressing the specific issues raised by the ANPR, it is important to recognize that the GLB Act and Privacy Rule have little, if any, application to ACA members. When Congress enacted the GLB Act, collection agencies were already subject to numerous federal and state regulations that protect the privacy interests of consumers. Additional regulation under the GLB Act and Privacy Rule therefore was unnecessary, and debt collectors were properly exempted from the notification requirements of the Act. Collection agencies that purchase accounts receivables are likewise unaffected by the Act and the Privacy Rule unless and until they consummate a customer relationship by locating a debtor and attempting collection.

A. Congress Drafted the GLB Act Against the Backdrop of Numerous Federal and State Laws Governing Collection Agencies.

