



CONSUMER CREDIT COUNSELING  
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PROUDLY SERVING OUR COMMUNITIES SINCE 1972

Wednesday, September 16, 2009

Federal Trade Commission  
Office of the Secretary, Room H-135 (Annex T)  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

**RE: "Telemarketing Sales Rule – Debt Relief Amendments – R411001"**

To Whom It May Concern:

In some situations, a debt settlement, implemented solely by the consumer, may be a viable option for a debt heavy consumer to get out from underneath the financial suffocation. When consumers are receiving unpleasant phone calls from their creditors each day, it makes it that much more difficult for them to make a sound financial decision. To then add the persuasive and often misleading incoming calls from debt settlement or debt negotiation companies who are trying to sway the consumer into buying their services; it is not easy for the debtor to determine which option is appropriate, especially taking into consideration the debtor's current state of mind.

As a non-profit Credit Counseling Agency (CCA), an ongoing struggle that we face each day is being compared to and categorized with the many unscrupulous for-profit entities that operate deceptive debt settlement and debt negotiation practices. The proposed Rule would impact debt settlement companies in that these companies would be legally required to disclose how lengthy the debt settlement process actually takes, and how much additional consumers will have to pay who are otherwise unaware of the thousands of dollars they typically incur while enrolled. Consumers are often misled into believing that their debt can be easily taken care of or reduced in a relatively short period of time and will often learn of the negative impact it will have after months of being enrolled in such a dishonest service.

The term "debt relief service" taken from Section 310.29(m) states "any service represented, directly or by implication, to renegotiate, settle, or in any way alter the terms of payment or other terms of the debt between a consumer and one or more unsecured creditors or debt collectors, including, but not limited to, a reduction in the balance, interest rate, or fees owed by a consumer to an unsecured creditor or debt collector." Debt relief implies 'release from obligation' and although this applies to debt settlement and debt negotiation services, this term and definition misrepresents debt management plans and credit counseling

agencies. Under the National Foundation for Credit Counseling (NFCC), over 100 member agencies promote financially responsible behavior and deliver the highest quality financial education and counseling services to their communities in addition to assisting consumers take control of their finances. The current definition focuses mainly on the settlement piece and does not mention the financial education these member agencies commit to providing to their clients, which is why CCA's and debt management plans should be excluded from this definition entirely.

The effect of the proposed Rule changes would limit these companies' marketing techniques, mandating full disclosure to consumers in every aspect of these debt relief services, and disclosing the long term negative effects these services would have on one's credit report and future credit opportunities. By doing so, this will give debtors information that is accurate so they can base their financial decisions on the truth and possibly save thousands of dollars that could be going towards more pressing bills such as their mortgage, heat/electric or food for their family.

Sincerely,

Karyn Dettbarn  
Assistant Director for Quality Initiatives  
Consumer Credit Counseling Service of Central New York