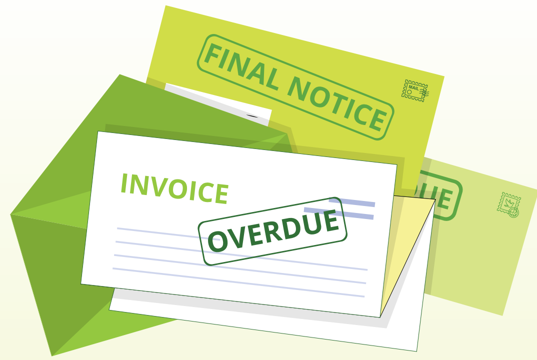
Consumer Bill of Rights: Debt Collection



The Stopping Harassment and Intimidation and Ensuring Lawful Debt Collection Rule (SHIELD Rule) takes effect January 1, 2027. The Rule gives NYC consumers the strongest protections in the country against predatory debt collection. This document describes all protections as of January 1, 2027.

Your Rights

1. **You have the right to be free from harassment and intimidation.**

   Debt collectors CAN'T:

   - Use aggressive methods and pressure tactics to collect a debt, including:
     - Call you or text you over and over.
     - Use obscene or profane language or make threats of violence or deportation.
     - Contact you if you told them you have an attorney.

2. **You have the right to choose a preferred method of contact.**

   You can inform debt collectors how and when they can communicate with you.

   Debt collectors CAN'T:

   - Contact you about a debt more than three times a week unless they are responding to you. (Note: Mailed letters don't count.)
   - Call you before 8 a.m. or after 9 p.m. Eastern Time unless you provide written consent.
   - Call you on your work phone number unless you provide prior written consent.

ABOUT NYC DEPARTMENT OF CONSUMER AND WORKER PROTECTION (DCWP)

DCWP is the nation's leading municipal enforcement agency, charged with delivering economic justice. We bring New Yorkers real economic relief and protect them from predatory, deceptive, and unfair practices that violate their rights as consumers and workers.

DCWP licenses debt collection agencies, which are private companies that collect debts claimed to be owed by NYC consumers. DCWP enforces consumer protection regulations like the SHIELD Rule.

3. You have the right to choose whether to allow electronic communication.

Debt collectors can contact you electronically at a designated email address or text message number if you provide prior consent. You can withdraw consent at any time.

Debt collectors CAN'T:

- Collect or attempt to collect debt electronically unless you consent to electronic communication.
- Send you a message to an email address that is provided by your employer.
- Refuse to let you dispute a debt electronically if they collect debt electronically.

4. You have the right to obtain information about the debt at the start of communications.

Debt collectors must mail you a "Validation Notice" within five days of their first contact with you. The Validation Notice must give you details about the debt, including itemization, important disclosures regarding your rights, and contact details for inquiries.

Debt collectors CAN'T:

- Send the Validation Notice exclusively by email, and not by postal service, even if you consent to email messages.

5. You have the right to use any available language services.

Debt collectors must tell you about any language and translation services available to help you understand communications about the debt, and they must include this information in the Validation Notice and on their website.

Debt collectors CAN'T:

- Contact you in a language other than English unless they sent you a Validation Notice in that language.
- Disregard your language preference after sending a Validation Notice in a language other than English. They must send you additional notices and accept your responses, such as a dispute, in the same language as the Validation Notice.

TIPS

- Keep a log of all calls, including the date, time, caller's name, company name, and conversation details.
- Keep copies of all paperwork and letters, including Validation Notice and Notice of Unverified Debt.
- Do *not* ignore collection letters; exercise your rights!
- Even if you dispute or request debt verification verbally, follow up in writing by certified mail to document your dispute.
- Insist on receiving a Validation Notice immediately when debt collectors contact you. Even though they have five days to send it, you can demand it.
- If you disputed the debt or requested verification but haven't heard back after 60 days, ask the debt collector to send you a Notice of Unverified Debt or confirm that one is being sent.

6. You have the right to privacy regarding your debt.

Debt collectors CAN'T:

- Disclose your alleged debt to anyone except you or your attorney depending how you direct them. This includes your relatives or coworkers.
- Speak to or harass your relatives or coworkers or anyone you know regarding the debt you allegedly owe.
- Contact you if you told them you have an attorney.

Debt collectors can report the debt to consumer credit reporting agencies based on information provided either by the debt owner or the third party hired to collect on the debt.

7. You have the right to question a debt at any time.

You can dispute a debt, or request debt verification (proof that the debt is valid and the amount is accurate), at any time. You can dispute all or part of the debt and/or request debt verification through any method debt collectors use to contact you, including by phone.

Important: Even if you file a complaint with a government regulatory body, you should send a copy of your dispute or request for verification directly to the debt collector to initiate the dispute.

8. You have the right to receive a response to verification requests and proof of disputed debt.

Within 60 days of receiving your dispute or request for verification, a debt collector must provide you with either 1) copies of detailed documentation verifying the debt is valid and accurate or 2) a "Notice of Unverified Debt" stating that they can't verify the disputed debt. Sample notices are available at **nyc.gov/dcwp**.

Debt collectors CAN'T:

- Attempt to collect the disputed debt until the verification documents confirm you owe the debt and the amount claimed that you owe is correct. For example, verification documents could include a billing statement showing the debt amount or a final account statement sent to you by the originating creditor before the account was sent to collections.
- Use just a default judgment—court decision that was issued without your appearance in the legal case—as verification. If debt collectors can't produce documents that verify the debt, the debt is considered unverified, and they must send you a Notice of Unverified Debt.

COMPLAINTS

If a debt collector violates your rights, you can file a complaint with DCWP in one of the following ways:

- Visit **nyc.gov/dcwp**
- Call **311** and say "Debt Collection Agency Complaint."

Include copies of documents and any correspondence you received from the debt collector.

DCWP serves all New Yorkers regardless of immigration status.

Important: If your account is assigned or sent to other debt collectors, send copies of the Notice of Unverified Debt to anyone attempting to collect on the account.

9. You have the right to specific disclosures about medical debt.

Debt collectors must include a clear disclosure in the Validation Notice that:

- Medical debt information can't be reported to a consumer reporting agency.
- You may be eligible to apply for monetary assistance for certain medical debts related to hospital services under hospitals' financial assistance policies if you have a low or limited income.

You can request information or dispute related medical debts from a single hospitalization or course of treatment.

Important: Alert the debt collector and the medical provider *immediately* if you believe you may be eligible for financial assistance or could have been eligible during the medical treatment. The collector can't collect on the debt and may need to take corrective measures.

10. You have the right to specific disclosures about zombie/old debt.

If the time limit (statute of limitations) to enforce or sue for the debt in court has expired, a debt collector must inform you in writing *before* attempting to collect the debt. They must also notify you that it's illegal under federal law to sue you or threaten to sue you for zombie/old debt.

Important: The time limit to sue for certain consumer debt is three years. If you are sued illegally for an old debt, *immediately* consult an attorney or legal aid and inform the court.

11. You have the right to know what is going in your credit report.

Debt collectors must notify you in writing *before* reporting the debt to any consumer reporting agency (credit bureau).

Important: Federal laws protect you when disputing information on your credit report.

RESOURCES AND FREE HELP

NYC Department of Consumer and Worker Protection (DCWP): Visit **nyc.gov/dcwp** and search "debt" to access Glossary of Common Debt Collection Terms, sample Notice of Unverified Debt, and more.

NYC Financial Empowerment Centers: Visit **nyc.gov/TalkMoney** to make an appointment for free, confidential, personalized financial counseling or call 311 and say "Financial Counseling."

Federal Trade Commission: Visit **ftc.gov** to learn about the Fair Credit Reporting Act.

Scan for translations:

nyc.gov/dcwp