

August 29, 2022

Commissioner of Financial Protection and Innovation
Attn: Sandra Navarro, Regulations Coordinator
300 South Spring Street, 15th Floor
Los Angeles, CA 90013

Via Electronic Mail to: regulations@dfpi.ca.gov

Re: Comments on the Proposal to Adopt New Regulations Under the Debt Collection Licensing Act (PRO 05-21)

Dear Ms. Navarro

On behalf of the Electronic Transactions Association (“ETA”), the leading trade association for the payments industry, I appreciate the opportunity to share our thoughts regarding the proposed rules and have outlined suggestions below that we believe are important to provide clarity to the Debt Collection Licensing Act.

ETA believes that DFPI should make clear that original creditors, without exceptions, will not need to obtain a debt collection license pursuant to the final regulations under the Debt Collection Licensing Act. Original creditors should be defined in Section 1850.1(c) of the final regulation as follows:

Original Creditors

Original Creditors: A creditor seeking, in its own name, repayment of consumer debt arising from credit the creditor extended is not engaged in the business of debt collection for purposes of licensure under the Debt Collection Licensing Act.

ETA further believes that DFPI should clearly state that the annual reporting requirement for California debtor accounts are counted by “account.” Section 1850.70(b) of the final regulation should read as follows:

Annual Reports

The total number of California debtor accounts should be counted by **account**, not by debtor. If a single debtor has multiple accounts, each account should be counted separately.

We appreciate you taking the time to consider these important issues. If you have any questions or wish to discuss any aspect of our comments, please contact me or ETA Senior Vice President, Scott Talbott at Stalbott@electran.org.

Respectfully Submitted,

Matt Tremblay

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ETA is the leading trade association for the payments industry, representing over 500 companies that offer electronic transaction processing products and services. ETA's members include banks, mobile payment service providers, mobile wallet providers, money transmitters and non-bank FinTech companies that provide access to credit, primarily to small businesses, either directly or in partnership with other lenders.

ETA member companies are creating innovative offerings in financial services, revolutionizing the way commerce is conducted with safe, convenient, and rewarding payment solutions and lending alternatives – facilitating over \$22 trillion in payments in 2019 worldwide.

