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To: DFPI Regulations
Subject: PRO 01-21

- 1.) Does the CCFPL apply to out of state auto loan “skip tracing” companies? These are companies that are hired by auto lenders, banks, and credit unions to locate vehicles subject to repossession. These companies do not collect funds, do not solicit payments from consumer, and are exempt from licensing as a debt collector under current law.

In most cases these types of companies are making telephone calls to California consumers for the purpose of locating a vehicle that is subject to repossession. Once the vehicle is located the skip tracing company would assign the repo order to a local licensed CA repossession/recovery agent who would perform the actual repossession.

- 2.) Does the CCFPL apply to out of state auto repossession “forwarding companies”? These are companies hired by auto lenders, banks, credit unions to simply assign for repossession vehicles that are subject to repossession for nonpayment. These companies have no contact with California consumers, are not required to be licensed debt collectors, and do not handle any funds, collection, etc. A forwarding company only takes the repo assignment from the bank and then assigns it to a local CA licensed repossession/recovery agent. Essentially a forwarding company is a middle processor of auto repo orders.

Are these types of entities specifically exempt or specifically subject to the CCFPL?

Thanks,

David Hutsell

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