

**Pat Esquivel**  
General Counsel and  
Vice President, Compliance



A Receivable & Resource Management Company

April 6, 2023

Department of Financial Protection and Innovation  
2101 Arena Blvd.  
Sacramento, CA 95834

VIA EMAIL TO [regulations@dfpi.ca.gov](mailto:regulations@dfpi.ca.gov) and [David.Bae@dfpi.ca.gov](mailto:David.Bae@dfpi.ca.gov)

Re: Comment to Notice of Proposed Rulemaking (PRO 03-21)

Dear Sir/Madam:

While most of the proposed consumer complaint rules are largely a redundant variation of the Consumer Financial Protection Bureau complaint mechanism, and therefore unnecessary, we acknowledge the efforts of the several states to protect its resident consumers, and generally are aligned with the goals of the DFPI.

Despite the common goals between our company, a Los Angeles-based receivables management company focused on healthcare, and the DFPI, we find some of the provisions of Section 1072(f) to be overly punitive with unattainable compliance requirements.

We request that the DFPI clarify its purpose in requiring an officer to be “ultimately accountable” for the operation of the complaint process. The “ultimately accountable” language implies that a member of the covered organization will be personally liable for perceived violations of DFPI rules. There is no reason to disturb the current model of holding organizations liable for the acts of its employees or agents, and instead require that individual compliance personnel put their individual assets and reputation at risk. The idea of personal liability of an individual working within a covered entity might be excluded from any business insurance coverage thus exposing an individual to personal risk not anticipated in a typical business setting.

We object to the requirement that one person at a collection agency have the authority to “forgive or extinguish any debt, charge, or obligation of a consumer” because such authority is not typically vested in any employee of a collection agency. Many third party debt collectors, including USCB America, work only on a contingency basis and do not buy the debt they are attempting to collect. This means that the debt is owned by the creditor/provider who placed the account with the collection agency, and the ultimate disposition of the account – write-off to bad debt, referral to a secondary agency, sale to a debt buyer or cancellation – is in the sole control of the owner of the debt and is not vested in the collection agency. It is simply outside of the authority of a non-owner of a debt to forgive or discharge a debt. These decisions are within the sphere of the owner of the debt and cannot be delegated to non-owners of the debt by regulation without disrupting established business-to-business conduct. We therefore request that this requirement be deleted from the proposed rule.

Sincerely,

Pat Esquivel

**USCB AMERICA**

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