Casey Elliott

From: comments
Sent: Friday, March 11, 2011 12:41 PM
To: greenfim@wulaw.wustl.edu; attyboris@aol.com
Subject: UDMSA comment #1

From: Cassie Viele [mailto:Cassandra@familylifecredit.org]
Sent: Friday, February 18, 2011 11:27 AM
To: comments
Subject: Proposed 2011 UDMSA Amendments

Mr. Kerr,

After reviewing the proposed amendments to the UDMSA, I would like to express my concern over the requirements outlined in Section 22 (Trust Accounts) from our perspective as a Credit Counseling/Debt Management Agency. In that section, the proposed changes require all agencies to find a non-affiliate to administer their trust account and take over all functions of processing client payments and receipts. In short, these new requirements would require us to replace a full-time position (payment processor) with an individual or entity who does not earn more than $25,000 (to maintain non-affiliate status) per year. This seems incredibly short-sighted and as though the changes were proposed without true consideration of what those requirements mean.

In our current process, we employ a full-time payment processor, who utilizes our client management system (CreditSoft) to track all client receipts and creditor payments. Trust account statements are reconciled by our contracted accountant. This new requirement would take away the job of the payment processor, but would not provide us with any valid options for someone to administer the trust account. The payment processor would not be eligible, as he/she would have earned more than $25K in the preceding & current year. The accountant would only be eligible for as long as his annual compensation remained under $25K, but the addition of new and substantial responsibilities would increase his compensation dramatically and make that point moot.

Since the committee has proposed the addition of these changes to the uniform law, I would hope that they had considered how these changes would be implemented and had found assurance that the changes would not pose an impossible hardship on the industry. I would also expect that if the committee expects for these changes to be implemented, they would be able to provide agencies with options and solutions for meeting these requirements.

I would sincerely hope that the committee would reconsider the proposed updates to Section 22, as they do not actually do anything to protect the welfare of our clients. If the committee does implement these changes, I would also hope that each state would recognize the flaw in Section 22 and would choose not to implement.

Thank you,

Cassie Viele | Compliance Officer
Family Life Credit Services
2345 Meadow Ridge Parkway
West Fargo, ND 58078
Local: (701) 237-9247 ext. 107
Toll-Free: (800) 747-9307 ext. 107
Email: Cassandra@familylifecredit.org
Website: www.familylifecredit.org