

---

*Henson v. Santander Consumer USA, Inc.*, No. 16-349

The Fair Debt Collections Practices Act governs the conduct of “debt collectors,” a term that includes any person who “regularly collects or attempts to collect, directly or indirectly, debts owed or due or asserted to be owed or due another.” Resolving a division among the lower courts, the Supreme Court ruled today that the Act covers only those persons who collect debts owed to third parties; individuals or entities who *purchase* another’s debt and then try to collect are not subject to the Act.

The decision, which was unanimous, was written by Justice Gorsuch, his first for the Court.