



DEBT COLLECTIONS



The Federal Trade Commission (FTC) enforces the Fair Debt Collection Practices Act (FDCPA). It prohibits unfair, deceptive, and abusive debt collection practices by collection agencies and third party collectors. Of course, the law does not erase any legitimate debt you owe.

Q: WHAT DEBTS ARE COVERED? Personal, family, and household debts are covered under the Act. This includes money owed for the purchase of a car, for medical care, or for charge accounts.

Q: WHO IS A DEBT COLLECTOR? A debt collector is anyone other than the creditor who regularly collects debts for others.

Q: HOW MAY A DEBT COLLECTOR CONTACT ME? A debt collector may contact you in person, by mail, telephone, or telegram. However, a debt collector may not contact you at inconvenient or unusual times or places such as before 8 a.m. or after 9 p.m. unless you agree. A debt collector may not contact you at work if your employer disapproves.

Q: CAN I STOP A DEBT COLLECTOR FROM CONTACTING ME? You may stop a debt collector from contacting you by sending the collector a letter (by certified mail) telling them to stop contacting you. Once they receive this letter, they may not contact you again except to say there will be no further contact or to notify you that some specific action has been taken. Sending such a letter to a collector does not make the debt go away if you actually owe it, and you still could be sued by the debt collector or original creditor.

Q: MAY A DEBT COLLECTOR CONTACT ANY OTHER PERSON CONCERNING MY DEBT? If you have an attorney, the collector may not contact anyone but the attorney. If you do not have an attorney, a debt collector may contact other people but only to find out where you live, work, or what your phone number is. The collector is not allowed to tell anyone other than you or your attorney that you owe money. In most cases, collectors are prohibited from contacting any person more than once.

Q: WHAT MUST THE DEBT COLLECTOR TELL ME ABOUT THE DEBT? Within 5 days after you are first contacted, the debt collector must send you a written notice telling you the amount of money you owe, the name of the creditor to whom you owe money, and what to do if you feel you do not owe money.

Q: IF I BELIEVE I DO NOT OWE THE MONEY, MAY A DEBT COLLECTOR CONTINUE TO CONTACT ME? The debt collector may not contact you if you send the collector a letter (by certified mail) within thirty days after you are first contacted saying you do not owe the money. However, a debt collector can begin collection activities again if you are sent proof of the debt, such as a copy of the bill.

Q: WHAT TYPES OF COLLECTION PRACTICES ARE PROHIBITED? Debt collectors may not harass, make false statements, or engage in unfair practices. For example, debt collectors may not:

- a. Use threats of violence or harm to property or reputation.
- b. Publish a list of consumers who refuse to pay their debts (except to a credit bureau).
- c. Use obscene or profane language.
- d. Repeatedly use the telephone to annoy someone.
- e. Telephone people without identifying themselves.
- f. Advertise your debts.
- g. Falsely imply that they are an attorney or government representative.
- h. Falsely imply that you have committed a crime.
- i. Falsely represent that they operate or work for for a credit bureau.
- j. Misrepresent the amount of the debt.
- k. Indicate that papers being sent are legal forms when they are not.
- l. Indicate that papers being sent are not legal forms when they are.
- m. Tell you that you will be arrested if you do not pay the debt.
- n. Tell you they will seize, garnish, or attach your wages, or sell your property, unless the collection agency or the creditor intends to do so, and it is legal to do so.
- o. Tell you that actions will be taken against you which legally may not be taken.
- p. Give false credit information about you to anyone.
- q. Send you anything that looks like an official document which might be sent by any court or agency of the United States or any state or local government.
- r. Use any false name.

Q: WHAT TYPES OF DEBT COLLECTION PRACTICES ARE CONSIDERED UNFAIR? Unfair debt collection practices include:

- a. Collection of an amount greater than your debt, unless allowed by law.
- b. The deposit of a post dated check before the date on the check.
- c. Making you accept collect calls or pay for telegrams.
- d. Taking or threatening to take your property unless this can be done legally.
- e. Contacting you by postcard.
- f. Putting anything on an envelope other than the debt collector's address and name. Even the name cannot be used if it shows that the communication is about the collection of a debt.

Q: WHAT CONTROL DO I HAVE OVER SPECIFIC DEBTS? If you owe several debts, any payment you make must be applied to the debt you choose. A debt collector may not apply a payment to any debt you feel you do not owe.

Q: WHAT CAN I DO IF THE DEBT COLLECTOR BREAKS THE LAW? You have the right to sue a debt collector in a State or Federal Court within one year from the date the law was violated. If you win, you may recover money for damage you suffered to include court costs and attorney fees. A group of people may sue a debt collector and recover money for damages up to \$500,000.

Q: WHO CAN TELL IF THE DEBT COLLECTOR BREAKS THE LAW? Report any problems you have with a debt collector to your state Attorney General's Office and the Federal Trade Commission (FTC). You can file a complaint with the FTC at www.ftc.gov or call 1-877-FTC-HELP (1-877-382-4357). You may also contact the Office of the Post Judge Advocate to arrange a consultation with a Legal Assistance Attorney.

This handout is part of a series containing general information on topics that legal assistance attorneys frequently advise on. Information provided is general in nature and does not constitute legal advice. Consult an attorney for specific legal advice for your particular situation @ (717) 245-4940.