



U.S. AIR FORCE

FAIR DEBT COLLECTION



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DID YOU KNOW?

- If you fail to pay your creditors on time, you may be contacted by a "debt collector."
- Debt collectors may NOT harass, oppress, or abuse you.
- Debt collectors may NOT make any false statements to you when collecting a debt.
- Debt collectors may not engage in unfair practices when collecting a debt.
- If you believe the debt collector violated the law in attempting to collect the debt, you may sue the collector within one year in state or federal court.

WHAT EXACTLY IS A "DEBTOR," A "CREDITOR," AND A "DEBT COLLECTOR"?

If you use a credit card, owe money on a personal loan such as a financed car or a mortgage, then you are a "debtor." The company or person who extended you the credit is the "creditor." If you fail to pay the creditors on time, or an error is made on an account, you will probably be contacted by a "debt collector."

WHAT PROTECTION DO I HAVE FROM DEBT COLLECTORS?

Debt collectors may legally contact you if you have fallen behind in your payments, but under the Fair Debt Collection Practices Act, the debt collectors must treat you fairly or risk suit by you in state or federal court. Obviously, this law will not protect a debtor from paying a legitimate debt.

WHAT DEBTS ARE COVERED BY THE ACT?

The debts covered by the Fair Debt Collection Practices Act are personal, family, or household debts. This includes a loan for the purchase of an automobile, money owed on a credit card, or even money owed for medical care.

HOW MAY A DEBT COLLECTOR CONTACT ME?

Under this law, the debt collector may only contact you in a "reasonable manner." The debt collector may contact you by phone, fax, in person, or by mail. On the other hand, the collector may NOT contact you before 0800 hours or after 2100 hours without your consent. In addition, a collector may NOT contact you at work if he knows that your employer disapproves.

Moreover, you may stop a collector from contacting you by writing a letter to the collection agency telling them to stop. Once the agency receives the letter, it may NOT contact you except

to inform you that there will be no further contact or that the creditor or collector will be taking some specific action.

A collector may NOT continue to contact you if you believe that you do not owe money IF within 30 days after you have been first contacted, you send the collection agency a letter stating that you do not owe any money. However, they may continue to contact you after they send proof of debt, such as a copy of the invoice or bill.

WHAT TYPES OF DEBT COLLECTION METHODS ARE PROHIBITED?

The types of debt collection practices that are prohibited under this law are: harassment, false statements, and unfair practices. Collectors may NOT harass, threaten, oppress or abuse anyone. Collectors may NOT use any false statements in attempt to collect the debt. Collectors may NOT engage in any unfair practices in attempt to collect the debt.

Examples of "harassment" by debt collectors are: (1) using threats of violence against a person, property, or his reputation, (2) publishing a list of consumers who fail to pay their debts on time (except to a credit bureau), (3) using obscene or profane language, (4) telephoning the debtor without identifying the caller, and (5) advertising the debt.

Examples of "false statements" made by debt collectors are (1) falsely implying that they are attorneys, (2) falsely implying that the debtor has committed a crime, (3) falsely implying that they work for a credit bureau, and (4) misrepresenting the amount of the debt.

Examples of "unfair practices" by a debt collector are: (1) collecting any amount greater than the debt owed, (2) depositing a post-dated check prematurely, (3) taking or threatening to take the debtor's property unless this can be done legally, and (4) making the debtor accept collect phone calls.

WHAT CAN I DO IF I BELIEVE THAT A DEBT COLLECTOR HAS VIOLATED THE LAW?

If you believe that a debt collector has violated the law, you can sue the debt collector in state or in federal court within ONE year from the date that you believe the law was violated. If you win, you can recover any damages you suffered plus an additional amount up to \$1000, court costs, and attorney's fees.

WHERE DO I REPORT A DEBT COLLECTOR FOR AN ALLEGED VIOLATION?

If you feel that a collector is violating the Fair Debt Collection Practices Act, you may report such an incident to either the State Attorney General's Office at (505) 827-6000, or the Federal Trade Commission at 1-877-FTC-HELP. However, before you do, you should speak with a JA attorney.

NOTE: BEFORE YOU ATTEMPT TO ENFORCE YOUR RIGHTS UNDER THIS LAW, PLEASE CONSULT A LEGAL ASSISTANCE OFFICER.