

CONSUMER'S EDGE

CONSUMER PROTECTION DIVISION, MARYLAND OFFICE OF THE ATTORNEY GENERAL

BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

DEALING WITH DEBT COLLECTORS

I'm paying what I can on my debts, but a debt collector keeps calling, sometimes two or three times a day, insulting me. I've told them that all their yelling isn't going to make me be able to pay. Is there any way to stop the calls?

A debt collector left messages with my neighbors, and now he's calling my workplace. I'm scared I'll get fired.

A collection agency kept calling me about a debt they said I owed. I told them it wasn't mine. They were really rude. I asked for proof, and when they sent the statement, it was for a debt owed by someone with the same name who lived in another state.



If you fall behind paying your bills, or if an error is made in your account, a business may try to collect the debt from you, or may hire a collection agency to collect the debt. However, both federal and state law require businesses and debt collection agencies to follow certain rules. These laws are intended to stop deceptive and unfair debt collection practices, and to protect you from the kind of harassment, abuse, and invasion of privacy described above.

For information from the Federal Trade Commission on debt collectors, visit <http://www.consumer.ftc.gov/articles/0149-debt-collection>.

HOW COLLECTORS MAY CONTACT YOU

Collectors may contact you in person, by mail, telephone, or fax. However, they may not:

- Contact you at unreasonable places or times unless you agree;
- Contact you so often as to constitute harassment;
- Contact you at work if they know your employer disapproves of personal calls;
- Reveal your indebtedness to anyone except you and your lawyer in most cases, although they can contact others to find out where you live and work;
- Threaten violence or harm against you, your reputation, or property;
- Use obscene or grossly abusive language;
- Advertise the fact that you owe a debt; or
- Make you accept collect calls, or violate your privacy by contacting you by postcard.

Also, debt collectors may not misrepresent the truth. For example, they may not use a false company or creditor name, or give out untrue credit information about you. They can't falsely imply you've committed a crime, or say you'll be arrested if you don't pay, indicate papers are legal or government documents when they are not, or threaten to garnish your wages or take your home or possessions without a court judgment, except in the cases of federally guaranteed student loans that are in default.

COMMUNICATING WITH THE COLLECTOR

Getting calls from a debt collector can be stressful. Keep in mind that the collection of a debt is a business transaction. Don't take it personally, and keep conversations on a business level. Don't avoid contact with a collector, as this may only cause increased or more aggressive collection efforts.



If you owe the debt, but do not have money available to pay it, ask the debt collector if you can work out a payment plan. Be honest about what you can afford to pay. If the agency does agree to a new payment plan, get it in writing.

The financial advocacy non-profit CCCSMD may be able to help you work out a payment plan. They offer low-cost debt management programs, and many creditors and collection agencies agree to participate with these plans. Call toll-free 800-642-2227 or visit www.cccsmd.org.

SPECIAL RULES APPLYING TO COLLECTION AGENCIES

Federal law establishes special requirements for debt collection agencies (as opposed to businesses collecting debts owed by their customers).

Within five days after its first contact with you, a collection agency must send you a written notice of the amount you owe, the name of the business or lender to whom you owe the debt, and what to do if you believe you don't owe the money.

If you dispute the debt or you need more information about it, send the collection agency a letter by certified mail, return receipt requested, within 30 days. Keep a copy of the letter, as well as any other correspondence with the collector. If it's a dispute letter, send a copy to the Maryland Collection Agency Licensing Board. The agency may not contact you again until it has sent you proof of the debt or sent the information you requested.

If you wish to notify the credit reporting agencies that you dispute the debt, request a copy of your credit report and follow the procedures for disputing reported information. Request reports from Equifax at 866-349-5191, Experian at 888-397-3742, and TransUnion at 800-888-4213, or visit www.annualcreditreport.com.

You can ask a debt collection agency to stop contacting you by sending it a letter. Once it receives your letter, it may not contact you again, except to acknowledge there will be no further contact or the creditor intends to take some specific action, such as a collection action through the courts. Understand that this only stops the agency from contacting you. The agency can still sue you in court. If it gets a judgment, your wages could be garnished. Also, it can continue sending negative information to the credit reporting agencies.

You can request that a collector not call you at your

place of work. If the debt is being collected by a collection agency, you can send a letter by registered mail asking it to stop calling you at work. By law, it must comply.

IF YOU HAVE A COMPLAINT

If you believe a collector is harassing you, for example by calling too frequently or at unreasonable hours, or using threatening or abusive language, tell the collector that you believe what they are doing is illegal and that you want them to stop. Tell them that you are keeping notes of the times of the calls and the language used, and that you may file a complaint against them.

If you have a complaint about a collection agency, contact the Maryland Collection Agency Licensing Board, 500 N. Calvert St., Room 402, Baltimore, MD 21202, or call 410-230-6079 or email DLFRComplaints-LABOR@maryland.gov. If you have a complaint about the collection actions of a business you dealt with, call the Attorney General's Consumer Protection Division at 410-528-8662.

If you believe a collector violated the law, you may have a right to sue in court and should contact a lawyer. You may recover money for the damages you suffered, and the debt collector may be liable for court costs and attorneys' fees. The Attorney General's Office can't provide legal advice or represent you in court.

HOW TO CONTACT US

Consumer Protection Division

200 St. Paul Place, 16th Fl., Baltimore, MD 21202

- **General Consumer Complaints:** 410-528-8662
Toll-free: 1-888-743-0023 TDD: 410-576-6372
En español: 410-230-1712
9 a.m. to 3 p.m. Monday-Friday
www.marylandattorneygeneral.gov/Pages/CPD/
- **Health Consumer Complaints:** 410-528-1840
Toll-free: 1-877-261-8807 TDD: 410-576-6372
En español: 410-230-1712
9 a.m. to 4:30 p.m. Monday-Friday
www.marylandcares.org
- **For information on branch offices** in Largo, Salisbury, Hagerstown, and a full list of offices across Maryland, visit: www.marylandattorneygeneral.gov/Pages/contactus.aspx

The Consumer's Edge is produced by the Maryland Attorney General's Office. Reproductions are encouraged.



MARYLAND
ATTORNEY GENERAL
BRIAN E. FROSH

www.marylandattorneygeneral.gov

